



ORACLE
Financial Services

Oracle Financial Services Software Limited
Annual Report
2023-24

Dear Shareholders,

It is my honor and privilege to be the Chairperson of your Company having taken over the illustrious track record left by my predecessor.

On behalf of the Board of Directors of Oracle Financial Services Software Limited, I am pleased to report that your Company delivered outstanding results for the financial year ended March 31, 2024 posting a 23% increase in the consolidated net profits to ₹ 22.2 billion. On the strength of the performance, the Board was pleased to declare an interim dividend of ₹ 240 per share for the financial year. Consolidated revenue for the fiscal year was ₹ 63.7 billion, posting a 12% increase over the previous financial year. It was also notable that we posted double digit growth across all the lines of business. We are proud that we have maintained a track record of delivering consistent high profitability metrics which are amongst the best in our industry.

Our business model has at its core a deep ethos of care for the customers who place trust in us for their mission critical needs. This is backed by high quality products and services delivered on the latest technology by a team of passionate domain and technology experts. Being part of Oracle gives us access to the best technology and unparalleled global reach.

Fiscal year 2024 was fraught with several uncertainties including continued and expanding geopolitical conflicts, economic slowdowns, highly visible failures of some banks in the western world, and tectonic technology shifts with increasing usage of Generative Artificial Intelligence (GenAI) and machine learning (ML). With an increasingly tech savvy customer base which is spoilt for choice, banks are under intense pressure to deliver “digital delight” at scale with complete compliance to regulations and at the lowest possible cost. Banks are increasingly looking at solutions delivered on a new architecture which is adaptable to rapid change and is available on the cloud.

In such an environment, your Company continued to grow and signed several pathbreaking deals in the year. Leading global banks launched programs to revamp their global payment technologies across over 50 countries on our IT solutions. Your Company won a landmark deal with The Navy Federal Credit Union, USA to modernize their retail systems on our Oracle Banking Cloud offering. Number of other customers across Asia, Europe and Americas began or expanded their journey with our solutions. The fiscal year 2024 saw license wins of \$137M – highest ever for the Company, registering a 44% growth over last fiscal. These wins are a testimony to the excellence of our products through continuing R&D, our track record of delivering high quality implementations, and providing reliable support.

Your Company continues to be at the forefront of technological innovations. We deliver next-generation cloud native solutions that offer enriched customer experiences with built-in innovation and the flexibility of deployment and adoption. Developed on a domain driven componentized architecture and an API-first ecosystem-aware design, our products deliver the benefits of transformative technological breakthroughs in GenAI, memory grids, IoT, graph analytics, natural language interactions etc. In a digital first world, our offerings can easily coexist and collaborate with the customers’ existing technology and other Fintechs – making your Company a trusted partner to deliver better financial services to empower customers to build vibrant economies, resilient institutions, healthier societies, and a safer world.

Our continued investments in technology and domain expertise, backed by a track record of wide adoption of our offerings by the financial institutions around the world, sets us up for a long-term success. Also, the recent wins in the cloud and new business domains are a great foundation for the newer opportunities in multiple jurisdictions for your Company.

Before I conclude, I am pleased to welcome our new Managing Director & CEO, Mr. Makarand Padalkar, and our new CFO, Mr. Avadhut Ketkar. I am also pleased to welcome new directors, Mr. Mrugank Paranjape and Mr. Gopala Ramanan and thank retiring fellow directors Mr. S Venkatachalam, Mr. Richard Jackson and Mr. Chaitanya Kamat for their contributions.

On behalf of the Board of Directors and Management of the Company, I would like to thank our shareholders, customers, partners and employees. Marching together with all the stakeholders, we look forward to an exciting future achieving newer and more challenging milestones.

Regards,

Sridhar Srinivasan

Chairperson

Oracle Financial Services Software Limited

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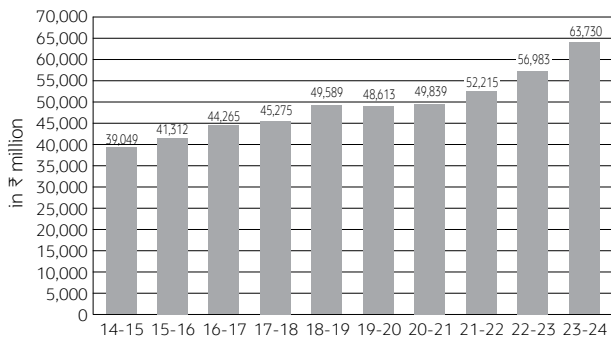
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Annual General Meeting

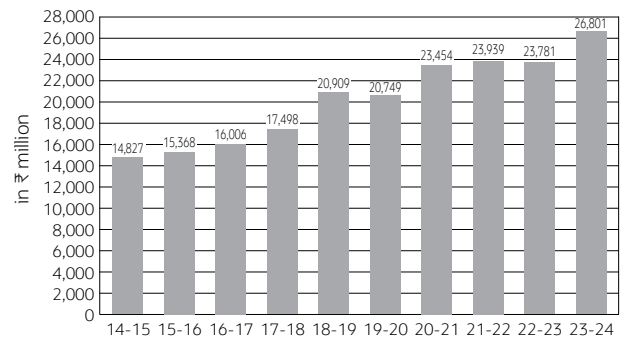
Day and Date	:	Thursday, July 25, 2024
Time	:	3.00 p.m. (IST)
Mode	:	Video Conferencing / Other Audio Visual Means

Ten year history

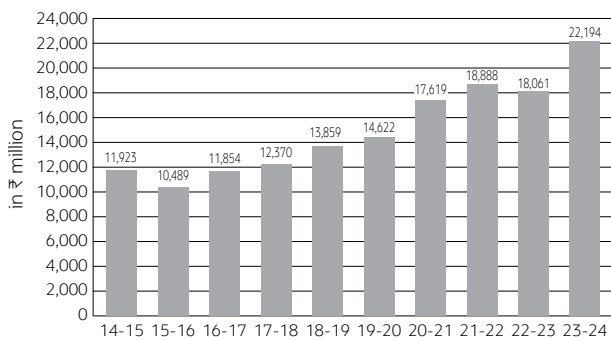
Operating revenue



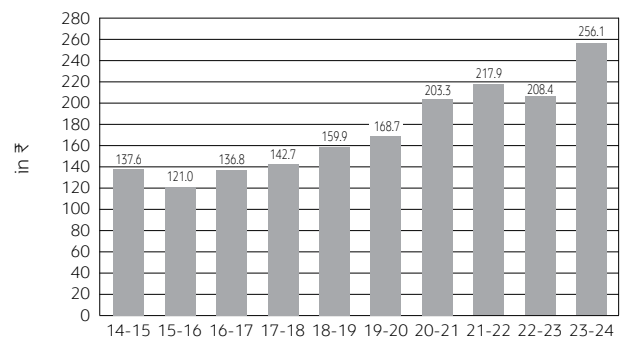
Operating income



Net income

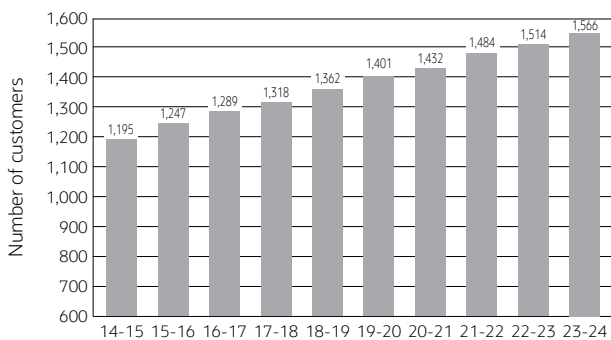


Earnings per share

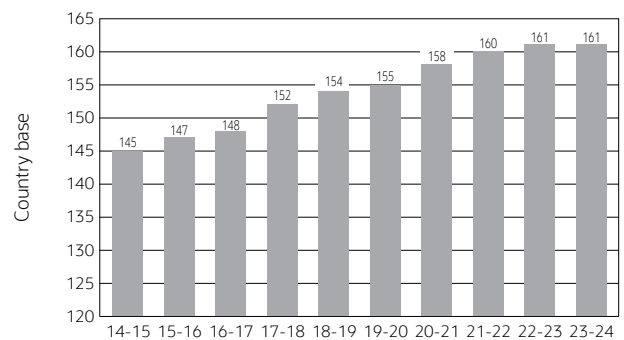


On the base of equity capital as on March 31, 2024.

Customers serviced



... in countries



Note:
Amounts for financial year 2014-15 are as per Consolidated Indian GAAP and for financial year 2015-16 onwards are as per Consolidated Ind AS.

Corporate information

Oracle Financial Services Software Limited

Board of directors

Sridhar Srinivasan, Chairperson

Makarand Padalkar, Managing Director and Chief Executive Officer

Gopala Ramanan Balasubramaniam

Harinderjit Singh

Jane Murphy

Kimberly Woolley

Mrugank Paranjape

Vincent Secondo Grelli

Yong Meng Kau

Note: The changes in the Board of Directors during the year is provided in the Directors' report.

Chief financial officer

Avadhut (Vinay) Ketkar

Company secretary and Compliance officer

Onkarnath Banerjee

Registrar & Transfer Agent

KFin Technologies Limited
Selenium Building, Plot No. 31 & 32
Tower-B, Serilingampally
Nanakramguda, Financial District
Hyderabad 500032
State of Telangana, India

Auditors

S. R. Batliboi & Associates LLP
Chartered Accountants

Registered office

Oracle Financial Services Software Limited
Oracle Park
Off Western Express Highway
Goregaon (East)
Mumbai 400063, Maharashtra, India

CIN: L72200MH1989PLC053666

Bankers

Barclays Bank PLC
Canara Bank
Citibank, N.A.
HDFC Bank Ltd.

HSBC Bank
J P Morgan Chase
Kotak Mahindra Bank Ltd.
Yes Bank Ltd.

Directors' report

Financial year 2023-24

Dear Members,

The Directors present their report on the business and operations of the Company along with the Annual Report and audited financial statements for the financial year 2023-24.

Financial highlights

As per Consolidated financial statements:

(Amounts in ₹ million)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from operations	63,729.61	56,983.09
Finance income	3,316.71	1,672.84
Other income, net	105.21	245.59
Total income	67,151.53	58,901.52
Operating expenses	(36,185.60)	(32,395.86)
Depreciation and amortization	(742.58)	(806.62)
Total expenses	(36,928.18)	(33,202.48)
Profit before tax	30,223.35	25,699.04
Tax expenses	(8,029.73)	(7,637.63)
Profit for the year	22,193.62	18,061.41
Other comprehensive income for the year	107.74	1,104.20
Total comprehensive income for the year	22,301.36	19,165.61

As per Unconsolidated financial statements:

(Amounts in ₹ million)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from operations	47,844.96	42,555.81
Finance income	2,407.86	1,335.58
Other income, net	(11.70)	258.65
Dividend from subsidiary company	–	932.14
Total income	50,241.12	45,082.18
Operating expenses	(23,281.92)	(21,066.35)
Depreciation and amortization	(597.62)	(583.85)
Total expenses	(23,879.54)	(21,650.20)
Profit before tax	26,361.58	23,431.98
Tax expenses	(6,082.39)	(5,706.90)
Profit for the year	20,279.19	17,725.08
Other comprehensive income for the year	68.63	39.78
Total comprehensive income for the year	20,347.82	17,764.86

Performance

On a consolidated basis, the Company's revenue stood at ₹ 63,729.61 million during the current financial year, up 12% compared to ₹ 56,983.09 million of the previous financial year. The net income for the current financial year was ₹ 22,193.62 million, up 23% compared to ₹ 18,061.41 million of the previous financial year. On an unconsolidated basis, the Company's revenue stood at ₹ 47,844.96 million during the current financial year, increase of 12% compared to ₹ 42,555.81 million of the previous financial year. The net income for the current financial year was ₹ 20,279.19 million, up 14% compared to ₹ 17,725.08 million of the previous financial year.

A detailed analysis of the financials is given in the Management's discussion and analysis report that forms part of this Annual Report.

Dividend

The Board of Directors of the Company declared an interim dividend of ₹ 240 per equity share of ₹ 5 each on April 24, 2024, for the financial year ended March 31, 2024. They have not recommended any additional final dividend for the financial year 2023-24.

Transfer to reserves

The Company has not transferred any amount to the reserves during the year under review.

Particulars of loans, guarantees or investments

In terms of Section 186 of the Companies Act, 2013 ("the Act"), the particulars of loans, guarantees and investments have been disclosed in the financial statements.

Share capital

During the financial year 2023-24, the Company allotted 274,477 equity shares of face value of ₹ 5 each to its eligible employees and Directors of the Company and its subsidiaries who exercised their stock options under the prevailing Employee Stock Option Schemes of the Company. As a result, the paid-up equity share capital of the Company as on March 31, 2024 was ₹ 433,358,280 divided into 86,671,656 equity shares of face value of ₹ 5 each.

Annual return

Pursuant to Section 92(3) read with 134(3) of the Act, the Annual Return (in e-form MGT-7) for the financial year ended March 31, 2024 is available on the Company's website at <https://investor.ofss.oracle.com>.

Directors and key managerial personnel

Pursuant to provisions of Section 152 of the Act and the Articles of Association of the Company, Ms. Kimberly Woolley (DIN: 07741017) and Mr. Vincent Secondo Grelli (DIN: 08262388), Directors of the Company, would retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The resolutions seeking Members' approval for their re-appointment along with other required details form part of the Notice.

Changes in the Board of Directors during the year (appointment, re-appointment and retirement) -

- The Members of the Company at the Annual General Meeting held on July 27, 2023 approved the re-appointment of Ms. Jane Murphy (DIN: 08336710) as Non-Executive, Independent Director, not liable to retire by rotation, for a further term of five years with effect from January 1, 2024 up to December 31, 2028.
- Mr. Chaitanya Kamat (DIN: 00969094), retired from the position of Managing Director and Chief Executive Officer of the Company with effect from the close of business hours of October 4, 2023. The Board placed on record its appreciation for his contributions during the tenure with the Company.
- The Members of the Company vide resolutions passed through postal ballot on November 30, 2023 approved appointments of:
 - a. Mr. Makarand Padalkar (DIN: 02115514) as the Managing Director and Chief Executive Officer of the Company for a term of three consecutive years with effect from October 5, 2023 up to October 4, 2026, liable to retire by rotation; and
 - b. Mr. Gopala Ramanan Balasubramaniam (DIN: 02785489) as Non-Executive, Non-Independent Director of the Company with effect from October 5, 2023, liable to retire by rotation.
- The Members of the Company vide resolution passed through postal ballot on January 11, 2024 approved appointment of Mr. Mrugank Paranjape (DIN: 02162026) as Non-Executive, Independent Director, not liable to retire by rotation, for a term of five consecutive years with effect from December 4, 2023 up to December 3, 2028.
- Mr. S Venkatachalam (DIN: 00257819) and Mr. Richard Jackson (DIN: 06447687), Independent Directors of the Company, retired as members of the Board of Directors on completion of their tenure with effect from close of business hours of March 31, 2024. The Board placed on record its appreciation for their valuable contributions and guidance during their tenure with the Company.

All the Independent Directors of the Company have submitted declarations that they meet the criteria of Independence as provided in Section 149 of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The Independent Directors have registered their names in the Independent Directors' Databank as per Rule 6 of the Companies (Appointments and Qualifications of Directors) Rules, 2014.

Key managerial personnel

Mr. Makarand Padalkar (DIN: 02115514), the Whole-time Director and Chief Financial Officer was appointed as the Managing Director and Chief Executive Officer of the Company effective October 5, 2023.

The Board of Directors of the Company at its meeting held on October 3, 2023, approved the appointment of Mr. Avadhut Ketkar as the Chief Financial Officer effective October 5, 2023.

Pursuant to provisions of Section 203 of the Act, Mr. Makarand Padalkar, Managing Director and Chief Executive Officer, Mr. Avadhut Ketkar, Chief Financial Officer and Mr. Onkarnath Banerjee, Company Secretary and Compliance Officer were the Key Managerial Personnel of the Company as on March 31, 2024.

Number of meetings of the Board

Nine meetings of the Board were held during the financial year 2023-24. For details of the meetings of the Board, please refer to the Corporate Governance Report which is a part of this Annual Report.

Board Committees

The Company has established several Board Committees as a part of best Corporate Governance practices and to comply with the requirements of the relevant provisions of the laws. The details pertaining to the Committees of the Board and their meetings during the year are included in the Corporate Governance Report which is a part of this Annual Report.

Board policies

The Company has formed following policies as required by the Act and Listing Regulations:

Particulars	Details	Website link for policy / details
Code of ethics and business conduct policy	This code defines and implements Oracle's ethical business values and sets forth key rules and employee responsibilities. The Code also covers the vigil mechanism and whistle blower policy.	https://www.oracle.com/assets/cebc-176732.pdf
Code of practices and procedures for fair disclosure of UPSI	This code defines the principles for fair disclosure of Unpublished Price Sensitive Information ("UPSI").	https://www.oracle.com/a/ocom/docs/industries/financial-services/code-of-practices-and-procedures-for-fair-disclosure-upsi.pdf
Corporate social responsibility policy	This policy governs Corporate Social Responsibility ("CSR") program of the Company.	https://www.oracle.com/a/ocom/docs/industries/financial-services/ofss-social-responsibility.pdf
Directors' appointment policy	This policy governs the manner of appointment of Directors of the Company.	https://www.oracle.com/a/ocom/docs/industries/financial-services/directors-appointment-policy.pdf
Dividend distribution policy	This policy details the factors to be considered by the Board while deciding or recommending any dividend.	https://www.oracle.com/a/ocom/docs/industries/financial-services/ofss-dividend-distribution-policy.pdf
Material events and information policy	This policy provides framework for determination of material events / information and sets out classes and types of material events / information that require disclosure to stock exchanges.	https://www.oracle.com/a/ocom/docs/industries/financial-services/material-events-information-policy.pdf
Policy for determining material subsidiaries	This policy defines the criterion for deciding material subsidiaries and describes related actions to be taken by the Company with respect to significant transactions with them.	https://www.oracle.com/a/ocom/docs/industries/financial-services/policy-determining-material.pdf
Record archival policy	This policy provides the framework for archival of the communications with the stock exchanges.	https://www.oracle.com/a/ocom/docs/industries/financial-services/record-archival-policy.pdf
Related party transactions policy	This policy sets out the principles and processes that apply in respect of transactions entered into by the Company with a related party.	https://www.oracle.com/a/ocom/docs/industries/financial-services/ofss-party-transactions-policy.pdf
Remuneration policy	This policy establishes principles governing remuneration of the directors, key managerial personnel and senior management of the Company.	https://www.oracle.com/a/ocom/docs/industries/financial-services/ofss-remuneration-policy.pdf

Related party transactions

All related party transactions entered into by the Company during the financial year 2023-24 were at an arm's length basis and in the ordinary course of business. Form AOC-2 as required under the Act is enclosed as Annexure 1 to this report.

Management's discussion and analysis report

Management's discussion and analysis report as stipulated under Regulation 34 of the Listing Regulations forms a part of this Annual report.

Risk management

The Risk Management Committee of the Board frames and monitors implementation of risk management policy for the Company and ensure its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified by the Company are systematically addressed through mitigating actions on a continuing basis. The development and implementation of risk management plan have been covered in the Management's discussion and analysis report that forms part of this Annual Report.

Board evaluation

Pursuant to the provisions of the Act and Listing Regulations, the Nomination and Remuneration Committee of the Board of Directors has conducted the evaluation of the performance of the Board and its Committees based on various criteria such as composition, effectiveness of processes / meetings, information sharing, functioning, etc. The Board evaluation report for the financial year 2023-24 was adopted at the Board Meeting held on March 27, 2024.

Subsidiaries

The Company has subsidiaries in Chile, Greece, India, Mauritius, the People's Republic of China, Singapore, the Netherlands and the United States of America. The Company does not have any associate or joint venture company within the meaning of Section 2(6) of the Act.

Pursuant to provisions of Section 129(3) of the Act, a statement containing salient features of the financial statements of the Company's subsidiaries in Form AOC-1 forms part of the financial statements of the Company.

Further, pursuant to the provisions of Section 136 of the Act, the standalone and consolidated financial statements of the Company and separate annual accounts of its subsidiaries are available on the Company's website at <https://investor.ofss.oracle.com>.

Research and development

Research and development (R&D) is essential for driving innovation and helping customers gain an edge in their business. Because of its investments in R&D, the Company continues to be the leader in a dynamic and ever-evolving space and be relevant to the global financial services industry today and tomorrow. The Company's dedicated in-house R&D centers have produced a number of IT products that are used by banks in more than 150 countries around the world for running their critical operations. The investment the Company makes in building applications, coupled with access to Oracle's technology, provides a unique competitive edge to its offerings.

Deposits

During the financial year 2023-24, the Company has not accepted any deposits within the meaning of Sections 73 and 76 of the Act and as such, no amount of principal or interest was outstanding as of the date of the Balance Sheet.

Corporate governance

The Company has taken appropriate steps and measures to comply with all the corporate governance regulations and related requirements as envisaged under Regulation 27 of the Listing Regulations. A separate report on Corporate Governance along with a certificate from Mr. Prashant Diwan, Practicing Company Secretary, with regard to compliance of conditions of Corporate Governance as stipulated in Regulation 34(3) of the Listing Regulations forms part of this Annual Report. A certificate from Mr. Diwan, Practicing Company Secretary & Secretarial auditor has also been received stating that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as a Director of the Company by the SEBI, MCA or any such statutory authority.

Statutory Auditors' report

There are no qualifications, reservations, adverse remarks or disclaimers in the Statutory Auditors' report.

Secretarial audit report

In terms of Section 204 of the Act and the Rules made thereunder, the Board has appointed Mr. Prashant Diwan, Practicing Company Secretary, as the Secretarial Auditor of the Company to carry out secretarial audit for the financial year 2023-24. The Secretarial Audit report is annexed as Annexure 2 to this report. The Secretarial Audit report does not contain any qualifications, reservations, adverse remarks or disclaimers.

Business responsibility and sustainability report (BRSR)

Business Responsibility and Sustainability Report pursuant to Regulation 34 of the Listing Regulations for the financial year 2023-24 that forms part of this Annual Report has been hosted on the Company's website at <https://investor.ofss.oracle.com>.

Employee stock option plan (ESOP)

The Members of the Company at their Annual General Meeting held on August 14, 2001 had approved grants of ESOPs to the employees / Directors of the Company and its subsidiaries up to 7.5% of the issued and paid-up capital of the Company from time to time. This said limit was enhanced up to 12.5% of the issued and paid-up capital of the Company and approved by the Members at their Annual General Meeting held on August 18, 2011. This extended limit is an all-inclusive limit applicable to the stock options ("options") granted in the past, in force, and those that will be granted by the Company in future.

Pursuant to ESOP scheme approved by the Members of the Company on August 14, 2001, the Board of Directors, on March 4, 2002 approved the 2002 Employees Stock Option Plan ("Scheme 2002") for issue of 4,753,600 options to the employees and directors of the Company and its subsidiaries. Under the Scheme 2002, the Company granted 4,548,920 options prior to its Initial Public Offer ("IPO") in 2002 and 619,000 options at various dates after IPO (including the grants of options out of options forfeited earlier). On August 25, 2010, the Board of Directors approved the Employees Stock Option Plan 2010 Scheme ("Scheme 2010") for issue of 618,000 options to the employees and Directors of the Company and its subsidiaries. Under the Scheme 2010, the Company has granted 638,000 options (including the grants of options out of options forfeited earlier).

Further, the Board of Directors approved the Employees Stock Option Plan 2011 Scheme ("Scheme 2011") on August 18, 2011 and Oracle Financial Services Software Limited Stock Plan 2014 ("OFSS Stock Plan 2014") on August 7, 2014.

As per the Scheme 2002, Scheme 2010 and Scheme 2011, each of 20% of the total options granted vest on completion of 12, 24, 36, 48 and 60 months from the date of grant. In respect of the OFSS Stock Plan 2014, each of 25% of the total options / OFSS Stock Units ("OSUs") granted vest on completion of 12, 24, 36 and 48 months from the date of grant. Any vesting is subject to continued employment with the Company or its subsidiaries. Options / OSUs have an exercise period of 10 years from the date of grant. The employee / Director pays the exercise price and applicable taxes upon exercise of vested options / OSUs.

All the above-mentioned Schemes of the Company are in compliance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 applicable from time to time. Applicable disclosures relating to Employees Stock Option Schemes, pursuant to SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, are placed on the Company's website at <https://investor.ofss.oracle.com>.

The details of the Company's ESOP schemes are disclosed in note 29 (b) in the notes to accounts of the unconsolidated financials of the Company that form part of this Annual Report. As at March 31, 2024, there are no options outstanding under Scheme 2002 and Scheme 2010.

The summary of the options and/or OSUs granted under the Scheme 2002, Scheme 2010, Scheme 2011 and OFSS Stock Plan 2014 to eligible employees/ Directors of the Company and its subsidiaries in conformation to applicable regulations from time to time till March 31, 2024, is given below:

Particulars	Scheme 2002	Scheme 2010	Scheme 2011	OFSS Stock Plan 2014	OFSS Stock Plan 2014	Total
	(Options)			(OSUs)		
Pricing Formula	At the market price as on the date of grant				₹ 5	
Variation of terms of grant	None	None	None	None	None	
Granted	5,167,920	638,000	1,950,500	178,245	1,719,811	9,654,476
Lapsed and forfeited	(620,725)	(304,362)	(650,576)	(68,144)	(195,267)	(1,839,074)
Exercised	(4,547,195)	(333,638)	(1,299,924)	(31,902)	(893,903)	(7,106,562)
Total number of options / OSUs in force as on March 31, 2024	-	-	-	78,199	630,641	708,840

The details of OSUs granted to Directors and Senior Management under OFSS Stock Plan 2014 during the financial year ended March 31, 2024 are as follows:

Name	Designation	Number of OSUs
Mr. Makarand Padalkar	Managing Director & Chief Executive Officer	21714
Mr. Arvind Gulhati	Vice President - Business Planning	4188
Mr. Avadhut Ketkar	Chief Financial Officer	6449
Mr. Dharpan Koul	Regional Vice President - Consulting	2816
Mr. Goutam Chatterjee	Vice President - Consulting	347
Mr. Onkarnath Banerjee	Company Secretary & Compliance Officer	1315
Mr. Rajaram Vadapandeshwara	Vice President - Software Development	1164
Mr. Sanjay Bajaj	Vice President - Development Operations	931
Mr. Sanjay Ghosh	Regional Vice President - Consulting	547
Mr. Surendra Shukla	Vice President - Product Support	2094
Mr. Tushar Chitra	Vice President - Product Strategy & Marketing	1280
Mr. Unmesh Pai	Vice President - Software Development	1745
Mr. Venkatraman H	Senior Director - Human Resource	1861
Mr. Vikram Gupta	Group Vice President - Banking Development	15120
Mr. Vinayak Hampihallikar	Regional Vice President - Consulting	3280
Mr. Vivek Jalan	Vice President - Real Estate and Facilities	481
(a)	Any other employee, who receives grant in any one year amounting to 5% or more of options / OSUs granted during the year	None
(b)	Identified employees who were granted options / OSUs, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	None
(c)	Diluted Earnings Per Share (EPS) pursuant to the issue of shares on exercise of option calculated in accordance with Indian Accounting Standard (Ind AS) 33 'Earnings Per Share' issued by the Institute of Chartered Accountants of India	₹ 232.78

The compensation cost arising on account of grant of options and OSUs is calculated using the fair value method.

The reported profit for the financial year 2023-24 is after considering the cost of employee stock compensation of ₹ 649.52 million, using fair value method on options / OSUs.

The weighted average share price for the year over which options / OSUs were exercised was ₹ 5,801. Money realized on allotment of 274,477 fresh equity shares as a result of exercise of options / OSUs during the financial year 2023-24 was ₹ 204.68 million. The Company has recovered from the employees / directors the perquisite tax applicable on exercise of options / OSUs. The weighted average fair value of OSUs granted during the year was ₹ 4,217 calculated as per the Black Scholes valuation model, with details of features incorporated, as stated in 29 (b) in the notes to accounts of the unconsolidated financials.

Transfer of equity shares and unpaid / unclaimed dividend to Investor Education and Protection Fund

Pursuant to applicable provisions of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, ("IEPF Rules"), during the year, the Company has transferred unclaimed and unencashed dividends of ₹ 6,344,412.00. Further, 28 corresponding equity shares on which dividends were unclaimed for seven consecutive years were transferred as per the requirements of the IEPF Rules. The details of unpaid / unclaimed amounts lying with the Company as on March 31, 2024 and the shares transferred to IEPF are available on the Company's website at <https://investor.ofss.oracle.com> and on the website of the Ministry of Corporate Affairs at www.iepf.gov.in.

Human resources

Employees are critical assets of the organization and their success and wellbeing is key to the Company's performance. Your Company endeavors to constantly hire and retain the best talent and be among the preferred employers in the industry. The Company constantly invests in building capabilities of its employees in the areas of technology, industry domain and soft skills; and emphasizes on building an inclusive and collaborative work culture along with systems that promote and enable high performance, offering an enriching career to the employees.

As of March 31, 2024, your Company had 8,754 employees (March 31, 2023 – 8,593) including employees of the subsidiaries.

Your Company has zero tolerance towards any kind of harassment, including sexual harassment, or discrimination. Employee safety, health and open culture is of paramount importance to your Company and is committed to providing a safe and respectful work environment that is free from harassment or discrimination irrespective of background of the employees. Sexual or other harassments or discrimination against applicants or employees is strictly forbidden. The Company has Prevention of Sexual Harassment policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act"). Frequent communication of this policy is done through various programs. The Company has setup Internal Complaints Committee at every location where it operates in India as per the regulations to redress and resolve any complaints arising under the POSH Act.

The details of complaints pertaining to sexual harassment that were filed, disposed of and pending during the financial year are provided in the Corporate Governance report which is a part of this Annual Report.

Corporate social responsibility

The Company has constituted Corporate Social Responsibility ("CSR") Committee in accordance with the provisions of the Act. The details of the CSR Committee are provided in the Corporate Governance Report which is a part of this Annual Report.

Pursuant to Section 135 of the Act read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, the annual report on the CSR activities for the financial year ended March 31, 2024 is annexed as Annexure 3 to this report.

Internal financial controls and its adequacy

The Board has adopted adequate policies and procedures in terms of Internal Financial Controls commensurate with the size, scale and complexity of the Company's operations. Such policies and procedures ensure orderly and efficient conduct of business, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information.

The Internal Audit team monitors and evaluates the efficacy and adequacy of the internal control system commensurate with the size of the business operations of the Company, its compliance with risk management system, accounting procedures and policies at all locations of the Company and its subsidiaries. The Internal Audit team reports to the Audit Committee.

Directors' responsibility statement

As required under Section 134(5) of the Act, for the financial year ended on March 31, 2024, the Directors hereby confirm that:

- a. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. the directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the directors have prepared the annual accounts on a going concern basis;
- e. the directors have laid down internal financial controls and that such internal financial controls are adequate and were operating effectively; and
- f. the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Auditors

The Members of the Company have appointed M/s. S. R. Batliboi & Associates LLP, Chartered Accountants, (ICAI Firm Registration No. 101049W), as the Statutory Auditors of the Company for a term of five consecutive years from the conclusion of the 33rd Annual General Meeting held on August 3, 2022 till the conclusion of the 38th Annual General Meeting to be held in the year 2027, as required under Section 139 of the Act.

Reporting of frauds by auditors

During the year under review, neither the Statutory Auditors nor the Secretarial Auditor has reported to the Audit Committee under Section 143(12) of the Act any instances of fraud committed against the Company by its officers or employees.

Cost records and cost audit

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Act are not applicable for the business activities carried out by the Company.

Material changes and commitments

There have been no material changes and commitments which affect the financial position of the Company which have occurred between the end of the financial year to which the financial statements relate and the date of this report.

Significant and material orders

During the year under review, there are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

Other disclosures

The details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof	Not applicable
The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year along with their status as at the end of the financial year	Not applicable
The details of instance of one time settlement with any Banks or Financial Institutions	Not applicable

Conservation of energy, technology absorption and foreign exchange earnings and outgo

The particulars as prescribed under sub-section (3)(m) of Section 134 of the Act and the relevant information pertaining to conservation of energy, technology absorption and foreign exchange earnings and outgo are furnished hereunder:

Conservation of energy

The Company strives to conserve energy and use energy efficient computers and illumination systems. The Company also deploys sophisticated office automation and infrastructure management equipment which optimize energy consumption. The Company continues to support Oracle's global sustainability goals of reducing waste to landfill and conserving energy.

Technology absorption

The Company regularly strives to utilize newer technologies with a view to conserve energy and create an environmentally friendly ecosystem. The initiatives taken by the Company are summarized below:

Network: The Company continues to invest in upgrading and modernizing its networks thereby increase uptime of the network infrastructure, increase capacity and enable greater collaboration. Network infrastructure is being migrated to the next generation cloud platform and network tooling; processes are being made seamless between the applications and the cloud platforms thereby enabling unified operational process, while securing the network infrastructure to provide a secure remote computing environment for our employees and customers.

Cloud deployment: The Company operates the infrastructure on a next generation cloud platform. All corporate applications are hosted on the Oracle next generation cloud. This move significantly reduces infrastructure costs as well as space and power utilization across the globe. Leveraging the cloud platform, the Company has consolidated data centers and manages increasing demand through flexible infrastructure utilization.

Business Resiliency: The Company has successfully implemented disaster recovery initiatives for critical infrastructure services. This has been adequately tested during the pandemic crisis, minor deficiencies were mitigated, and the plan has been made more efficient and effective.

Virtual presence: The Company has made significant investments in providing a near virtual working environment for its employees through multiple collaboration tools. Multifunctional and multiple methods of collaboration across geographies have enhanced business operations. This facilitates communication across the globe minimizing travel and increasing efficiencies from a support perspective by making self-service operations easier and effective. Conference room facilities have been enhanced and standardized across the organization to ensure smooth and seamless operations from any of the Company's location.

All these initiatives provide a secure, efficient and environment friendly operating environment to the employees.

Foreign exchange earnings and outgo:

(Amounts in ₹ million)

Foreign exchange earnings	42,146.10
Foreign exchange outgo (including capital goods and other expenditure)	2,071.32

Activities relating to exports; initiatives taken to increase exports; development of new export markets for products and services; and export plans: The Company has established an extensive global presence across leading markets through its sales and marketing network. The Company will continue to broaden and deepen various potential markets globally. Experienced sales and marketing specialists focus on building strong international business presence to develop new export markets for the Company.

Prospects

The banking and financial services industry is undergoing a significant transformation driven by rapid changes in technology, business environment, regulatory mandates and customer expectations. To succeed in this complex landscape, financial institutions need to demonstrate agility and innovation while undertaking digital transformation with the help of a technology partner. Your Company is at the forefront of developing state-of-the-art solutions that enhance customer experience, improve operational efficiency, and enable better risk & compliance management for financial institutions.

Your Company is a leader in the industry and invests in research and development, strategic partnerships, and is positioned as a key enabler of the digital transformation reshaping the financial services landscape.

Statement on compliance of applicable Secretarial Standards

The Company complies with all applicable mandatory provisions of Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

Employee particulars

The information required under Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 is given below:

For statistically relevant computation of median value of employee remuneration, employees who have served the entire 12 months in the corresponding fiscal year were considered. The expression “median” means the numerical value separating the higher half of a population from the lower half and the median of a finite list of numbers is found by arranging all the observations from lowest value to highest value and picking the middle one; and if there is an even number of observations, the median is the average of the two middle values. The remuneration used for the analysis in this section includes the details of employees and only of those Directors to whom the remuneration has been paid by the Company and excludes remuneration of the employees of overseas branches, subsidiaries, and the (perquisite) value of the difference between the fair market value and the exercise price on the date of exercise of options, to make the comparisons relevant.

i. Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Name of the Director	Ratio to median remuneration
Non-Executive, Independent Directors	
Mr. S Venkatachalam	2
Mr. Richard Jackson	2
Mr. Sridhar Srinivasan	2
Ms. Jane Murphy	2
Mr. Mrugank Paranjape*	Not Applicable
Executive Directors	
Mr. Chaitanya Kamat**	Not Applicable
Mr. Makarand Padalkar	8

*Appointed with effect from December 4, 2023.

**Retired with effect from close of business hours of October 4, 2023.

ii. **The percentage increase in remuneration of each director, chief executive officer, chief financial officer and company secretary in the financial year:**

Name and Title	Percentage increase / (decrease) of remuneration in FY 2024 as compared to FY 2023
Non-Executive, Independent Directors	
Mr. S Venkatachalam	Nil
Mr. Richard Jackson	Nil
Mr. Sridhar Srinivasan	Nil
Ms. Jane Murphy	Nil
Mr. Mrugank Paranjape*	Not Applicable
Managing Director and Chief Executive Officer	
Mr. Chaitanya Kamat*	Not Applicable
Mr. Makarand Padalkar#	7
Chief Financial Officer	
Mr. Avadhut Ketkar*	Not Applicable
Company Secretary and Compliance Officer	
Mr. Onkarnath Banerjee	4

*Part of the year as Director/KMP.

#During the year the Whole-time Director and Chief Financial Officer was appointed as the Managing Director and Chief Executive Officer.

iii. **The percentage increase in the median remuneration of employees in financial year 2024, as compared to financial year 2023:**

-7%.

iv. **The number of permanent employees on the rolls of the Company:**

7,890 as on March 31, 2024.

v. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

During the financial year 2023-24, the average remuneration of employees other than the key managerial personnel increased by 3% over the previous year. During the same period, average remuneration of the key managerial personnel increased by 6%.

vi. **Affirmation that the remuneration is as per the remuneration policy of the Company:**

The remuneration is as per the remuneration policy of the Company.

The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the Members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any Member interested in obtaining a copy of the same may write to the Company Secretary.

Acknowledgements

The Directors place on record their sincere thanks for the continued support and co-operation received by the Company from its stakeholders, customers, members, vendors, bankers, stock exchanges, regulatory authorities and all other stakeholders during the year. The Directors also wish to thank the Government of India, the State Governments in the jurisdictions it operates and their various agencies and departments. The Directors place on record their appreciation for the excellent contributions made by the employees of the Company through their commitment, co-operation and diligence. The Directors look forward to the long-term future with confidence.

For and on behalf of the Board

Sridhar Srinivasan

Chairperson
DIN: 07240718

June 12, 2024

Form No. AOC - 2

Particulars of contracts / arrangements made with related parties

[Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013, and Rule 8(2) of the Companies (Accounts) Rules, 2014]

This Form pertains to the disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in Sub-section (1) of Section 188 of the Companies Act, 2013 ("the Act") including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis:

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2024, which were not at arm's length basis.

2. Details of material contracts or arrangements or transactions at arm's length basis:

There were no material contracts or arrangements or transactions entered into during the year March 31, 2024.

For and on behalf of the Board of Directors of
Oracle Financial Services Software Limited

Mumbai
June 12, 2024

Sridhar Srinivasan
Chairperson
DIN: 07240718

Secretarial audit report

Form No. MR-3

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

[Pursuant to section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members

Oracle Financial Services Software Limited

Oracle Park, Off Western Express Highway
Goregaon (East), Mumbai – 400 063

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Oracle Financial Services Software Limited** having CIN: L72200MH1989PLC053666 (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2024 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; and
 - (d) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (vi) Software Technology Parks of India rules and regulations.

As per the representations made by the management and relied upon by me, during the period under review, provisions of the following regulations were not applicable to the Company:

- (i) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of External Commercial Borrowings;
- (ii) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
 - (d) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; and
 - (e) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards 1 & 2 issued by the Institute of Company Secretaries of India under the Companies Act, 2013.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. to the extent applicable.

Further, affirmation in the corporate announcement as prescribed in the circular NSE - NSE/CML/2018/02 & BSE - LIST/COMP/14/2018-19 was submitted beyond prescribed time.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors, if any, that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through and as informed, there were no dissenting members' views and hence not recorded as part of the minutes.

I further report that as per the explanations given to me in the representations made by the management and relied upon by me there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

As per the explanations given to me in the representations made by the management and relied upon by me, I further report that, during the audit period, except for the issue and allotment of equity shares to the employees of the Company under Employee Stock Option Plan ("ESOP"), there were no other specific events / actions in pursuance of the above referred laws, rules, regulations, guidelines, etc., having a major bearing on the Company's affairs.

CS Prashant Diwan

Practicing Company Secretary
FCS: 1403 CP: 1979

PR: 1683/2022
UDIN: F001403F000563305

Date: June 12, 2024
Place: Mumbai

This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

**SECRETARIAL AUDIT REPORT
Form No. MR-3**

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

[Pursuant to section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members

Oracle Financial Services Software Limited

Oracle Park, Off Western Express Highway
Goregaon (East), Mumbai - 400 063

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of Accounts of the company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate, Specific and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

CS Prashant Diwan

Practicing Company Secretary
FCS: 1403 CP: 1979

PR: 1683/2022
UDIN: F001403F000563305

Date: June 12, 2024
Place: Mumbai

Annual report on corporate social responsibility activities Financial year ended March 31, 2024

Pursuant to section 135 of the Companies Act, 2013 read with Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014

1. A brief outline of the CSR Policy of the Company:

The Company's CSR policy aims to advance education, protect the environment, and strengthen communities. The purpose of such initiatives is to help create inclusive growth and equitable development. The Company awards grants to nonprofit and nongovernmental organizations and other implementation partners to carry out its CSR initiatives. During the financial year 2023-24, the Company directed its CSR efforts to support community engagements, strengthening water, sanitation and hygiene (WASH) Infrastructure at schools and underserved communities, providing scholarships to young women pursuing higher education in science and technology, equipping young people with science, technology, engineering and mathematics (STEM) design thinking, and life skills to solve challenges facing their communities, and empowering underserved young girls through socio-emotional and leadership development.

The Company has offices in major metro cities which generally have better and more developed social and livelihood facilities as compared to other non-metro cities or the rest of India. Therefore, the Company believes in adopting a broader geographical coverage for its CSR programs to deliver interventions where the need is higher.

2. Composition of CSR Committee:

As on March 31, 2024, following was the composition of the CSR Committee

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Harinderjit Singh	Chairperson, Non-Executive, Non-Independent Director	2	2
2.	Mr. S Venkatachalam	Member, Non-Executive, Independent Director	2	2
3.	Mr. Chaitanya Kamat*	Member, Executive Director	1	1
4.	Mr. Makarand Padalkar (w.e.f. October 5, 2023)	Member, Executive Director	1	1

*Retired with effect from close of business hours of October 4, 2023.

3. Provide the web link(s) where the Composition of the CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:

Composition of the CSR committee - <https://www.oracle.com/industries/financial-services/ofss/governance>

CSR Policy - <https://www.oracle.com/a/ocom/docs/industries/financial-services/ofss-social-responsibility.pdf>

CSR Projects - <https://www.oracle.com/a/ocom/docs/industries/financial-services/list-of-approved-csr-projects-fy2023-24.pdf>

4. Provide the executive summary along with web link(s) of the Impact Assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:

The Impact Assessment report for the projects completed as of March 31, 2022 is available at <https://www.oracle.com/a/ocom/docs/industries/financial-services/impact-assessment-report-csr-projects-completed-fy2022.pdf>

5.	(a)	Average net profit of the Company as per sub-section (5) of section 135:	₹ 24,053.16 million
	(b)	Two percent of average net profit of the Company as per sub-section (5) of section 135:	₹ 481.06 million
	(c)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years:	Nil
	(d)	Amount required to be set-off for the financial year, if any:	₹ 25.80 million
	(e)	Total CSR obligation for the financial year [(b)+(c)-(d)]:	₹ 455.26 million
6.	(a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):	₹ 482.91 million
	(b)	Amount spent in Administrative Overheads:	₹ 0.32 million
	(c)	Amount spent on Impact Assessment, if applicable:	₹ 2.98 million
	(d)	Total amount spent for the Financial Year [(a)+(b)+(c)]:	₹ 486.21 million

(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹ million)	Amount Unspent (in ₹ million)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of transfer
486.21	Nil	Not Applicable	Not Applicable	Not Applicable	Not Applicable

(f) Excess amount for setoff, if any:

Sr. No.	Particulars	Amount (in ₹ million)
(1)	(2)	(3)
(i)	Two percent of average net profit of the Company as per sub-section (5) of section 135	455.26
(ii)	Total amount spent for the Financial Year	486.21
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	30.95
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	30.95

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

1	2	3	4	5	6	7	8
Sr. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹ million)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹ million)	Amount spent in the reporting Financial Year (in ₹ million)	Amount transferred to a Fund as specified under Schedule VII as per second Proviso to sub-section (5) of section 135, if any Amount (in ₹ million) Date of Transfer	Amount remaining to be spent in succeeding Financial Years (in ₹ million)	Deficiency, if any
-	Not Applicable	Nil	Nil	Nil	Not Applicable Not Applicable	Nil	Nil

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **No.**

If yes, enter the number of Capital assets created/acquired: **Not Applicable.**

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135: **Not applicable.**

Harinderjit Singh

Chairperson, CSR Committee
DIN: 06628566

Makarand Padalkar

Managing Director & Chief Executive Officer
DIN: 02115514

Place: Mumbai

Date: June 12, 2024

Corporate governance report

The report on Corporate Governance of Oracle Financial Services Software Limited (“Company”) for the financial year 2023-24 as per Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) is set out below:

Company’s philosophy on code of governance

The Company has adopted and adheres to all applicable regulations and corporate governance practices. The Company places a strong emphasis on transparency, accountability, ethical behavior and integrity. All its directors and employees are bound by the code of conduct that sets out the governance standards for dealing with all the stakeholders including customers, employees, shareholders, vendors and Government. Keeping in view with this commitment, the Board of Directors and the management ensured great standards of transparency and efficiency in its dealings.

Board of Directors

Composition of the Board

The composition and category of the Board of Directors of the Company (“Board”) and the number of directorships and board committee chairpersonships / memberships held by the Directors as on March 31, 2024, their attendance at the Board Meetings (in-person / Video Conferencing) during the year then ended and at the last Annual General Meeting (“AGM”) are given below:

Name of the Director	Board Meetings attended during the year	Attendance at the last AGM held on July 27, 2023	Number of Directorships in other Companies	Number of Committee positions held in other Companies	
				As Chairperson	As Member
Non-Executive, Independent Directors					
Mr. S Venkatachalam Chairperson (DIN: 00257819)	9/9	Present	1	–	–
Mr. Richard Jackson (DIN: 06447687)	9/9	Present	8	2	–
Mr. Sridhar Srinivasan (DIN: 07240718)	8/9	Present	4	–	3
Ms. Jane Murphy (DIN: 08336710)	9/9	Present	7	–	–
Mr. Mrugank Paranjape [#] (DIN: 02162026)	2/2	Not Applicable	3	–	1
Non-Executive, Non-Independent Directors					
Mr. Harinderjit Singh (DIN: 06628566)	9/9	Present	1	–	–
Ms. Kimberly Woolley (DIN: 07741017)	9/9	Present	10	–	–
Mr. Vincent Secondo Grelli (DIN: 08262388)	8/9	Present	3	–	1
Mr. Yong Meng Kau (DIN: 08234739)	9/9	Present	12	–	1
Mr. Gopala Ramanan Balasubramaniam* (DIN: 02785489)	4/4	Not Applicable	–	–	–
Executive Directors					
Mr. Makarand Padalkar Managing Director & Chief Executive Officer* (DIN: 02115514)	9/9	Present	1	–	–
Mr. Chaitanya Kamat Erstwhile Managing Director & Chief Executive Officer** (DIN: 00969094)	4/5	Present	–	–	–

[#]Appointed with effect from December 4, 2023.

*Appointed with effect from October 5, 2023.

**Retired with effect from close of business hours of October 4, 2023.

Notes:

- a) The Chairperson of the Board is a Non-Executive, Independent Director and the composition of the Board is in conformity with the Listing Regulations and the Companies Act, 2013 (“Act”).
- b) Pursuant to Regulation 26 of the Listing Regulations, none of the Directors on the Board holds memberships in more than ten committees or acts as a chairperson of more than five committees across all the listed companies in which he / she is a Director. None of the Directors are related inter-se.
- c) Pursuant to Regulation 17A of the Listing Regulations, none of the Directors serves as an independent director in more than seven listed companies and none of the Executive Directors serves as independent director in any listed company.
- d) For the purpose of determining the number of directorships in other companies, all the companies around the world (listed, unlisted, private limited companies and foreign companies), including subsidiaries of the Company, are considered.
- e) For the purpose of determining the number of chairpersonships / memberships of the committees of the Board of other companies, only the Audit Committee and the Stakeholders’ Relationship Committee of the companies are considered.
- f) None of the Independent and Executive Directors of the Company held directorships in other listed companies except the following:

Sr. No.	Name of the Director	Name of the other listed entity	Category of Directorship
1.	Mr. Sridhar Srinivasan	Nirlon Limited	Non-Executive, Independent Director
		Graphite India Limited	Non-Executive, Independent Director
		Indian Overseas Bank	Non-Executive, Independent Director
2.	Mr. Mrugank Paranjape	State Bank of India	Non-Executive, Independent Director

- g) Independent Directors are Non-Executive Directors as defined under Section 149 of the Act and Listing Regulations. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as specified in the Act and Listing Regulations and that they are independent of the management. The tenure of Independent Directors is in accordance with the Act and Listing Regulations.
- h) In terms of Section 150 of the Act read with Rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014, all the Independent Directors are enrolled in the Independent Director’s Data Bank maintained with the Indian Institute of Corporate Affairs.
- i) The familiarization program formulated for Independent Directors is available on the Company’s website at <https://www.oracle.com/a/ocom/docs/industries/financial-services/financial-familiarization-program.pdf>
- j) As on March 31, 2024, none of the Non-Executive Directors held any equity shares of the Company except Mr. S Venkatachalam who held 3,000 equity shares of the Company.
- k) Changes in the Board of Directors during the year (appointment, re-appointment and retirement):
 - The Members of the Company at the Annual General Meeting held on July 27, 2023 approved re-appointment of Ms. Jane Murphy (DIN: 08336710) as Non-Executive, Independent Director, not liable to retire by rotation, for a further term of five years with effect from January 1, 2024 up to December 31, 2028.
 - Mr. Chaitanya Kamat (DIN: 00969094), retired as a Managing Director and Chief Executive Officer of the Company, effective from the close of business hours of October 4, 2023.
 - The Members of the Company vide resolutions passed through postal ballot on November 30, 2023 approved appointments of:
 - a. Mr. Makarand Padalkar (DIN: 02115514) as the Managing Director and Chief Executive Officer of the Company for a term of three consecutive years with effect from October 5, 2023 up to October 4, 2026, liable to retire by rotation; and
 - b. Mr. Gopala Ramanan Balasubramaniam (DIN: 02785489) as Non-Executive, Non-Independent Director of the Company with effect from October 5, 2023, liable to retire by rotation.
 - The Members of the Company vide resolution passed through postal ballot on January 11, 2024 approved appointment of Mr. Mrugank Paranjape (DIN: 02162026) as Non-Executive, Independent Director, not liable to retire by rotation, for a term of five consecutive years with effect from December 4, 2023 up to December 3, 2028.
 - Mr. S Venkatachalam (DIN: 00257819) and Mr. Richard Jackson (DIN: 06447687), Independent Directors of the Company, retired as members of the Board of Directors on completion of their tenure with effect from close of business hours of March 31, 2024.

l) The Board has identified the following skills and competencies that help create a dynamic and effective Board:

Strategy & Leadership	Experience in a significant leadership position with sound business judgement and a C-level perspective in areas important to the Company.
Industry Knowledge	Experience in technology or financial services or allied industries, with good understanding of the markets, and business and management processes for a regional / global business.
Governance, Compliance and Finance	Understanding of governance in global businesses in areas such as people practices, fiduciary controls, financial accounting & reporting, risk management or legal & regulatory compliances.

The Directors of the Company collectively bring to the boardroom the above competencies and diverse experiences and perspectives in areas relevant to the Company. The experience, qualifications and skills of each director that the Board considers important are provided below:

Director	Skills and Competencies		
	Strategy & Leadership	Industry Knowledge	Governance, Compliance & Finance
Mr. Gopala Ramanan Balasubramaniam <i>(Appointed w.e.f. October 5, 2023)</i>		Finance professional with over 3 decades of rich experience in corporate finance, financial controllership, M&A, treasury, taxation, corporate secretarial & legal. Worked with multinational companies and international bank at senior level positions. Has served on corporate Boards in the capacity of non-independent director.	
Mr. Harinderjit Singh		Over three decades of experience in managing global technology businesses. Heads the Financial Services Global Industry Unit in Oracle Corporation.	
Ms. Jane Murphy		Leading legal expert in the fields of corporate law, M&A, data privacy and digital services. Rich experience in global risk & compliance and corporate governance. Founded her own law firm and five start-ups dedicated to representing companies around the world for data protection advisory in the EU, UK and Switzerland. Independent board member at several financial services companies in Europe.	
Ms. Kimberly Woolley		Extensive experience in managing legal and corporate affairs for Oracle Corporation. Has unique perspective of international Boards, knowledge and understanding of global processes, risk management, corporate responsibility, compliance and governance.	
Mr. Makarand Padalkar		Over forty years of experience, he has a deep understanding of business, compliance, risk and governance requirements. Has led multiple areas in the business and finance; was the CFO of the Company for over a decade before taking over as the CEO of the Company.	
Mr. Mrugank Paranjape <i>(Appointed w.e.f. December 4, 2023)</i>		Over 33 years of rich experience at CXO levels in the financial services industry in India and overseas specializing in banking, asset management, commodities exchange and technology. An expert and consultant in the field of Capital & Commodities Markets.	
Mr. Richard Jackson <i>(Retired on March 31, 2024)</i>		Global experience with multinational and large regional banks holding CEO positions. Led a number of businesses and technology transformations at banks in EMEA and APAC. Independent board member at several companies including insurance in UK and Europe.	
Mr. Sridhar Srinivasan		Worked for nearly 30 years with a global bank across Europe, Africa and Asia holding many leadership positions including as country CEO and regional manager for large banking businesses. Deep exposure to financial services, technology and other adjacent industry segments. Held leadership executive positions encompassing risk, compliance and regulatory management. Now chairperson of a leading bank in India and an independent director on the boards of several large Indian and European companies.	
Mr. S Venkatachalam <i>(Retired on March 31, 2024)</i>		Rich experience in the field of Banking, Finance, Administration, Compliance, Taxation and Corporate laws. Served as an Independent Director with leading financial institutions.	
Mr. Vincent Secondo Grelli		Multiple decades of experience in managing tax departments and tax matters of large global IT companies. Provides a unique perspective to the Company on tax risk management/tax governance complexities of operating in multi-national tax jurisdictions.	
Mr. Yong Meng Kau		Rich experience in managing corporate legal and transactional matters in the ASEAN and South Asia regions that helps the Company manage its large operations in the region.	
Mr. Chaitanya Kamat <i>(Retired on October 4, 2023)</i>		Over thirty-five years of experience in financial services, product engineering, consulting and business transformation with over two decades of leadership and board level roles in both national and global organizations.	

The Company is a majority owned subsidiary of Oracle Corporation, a global technology leader with presence across the globe. The Company is able to leverage the deep expertise in technology, global management practices, specific domain area and regulatory requirements applicable when doing business globally.

Board meetings held during the financial year 2023-24

During the financial year 2023-24, nine Board Meetings were held April 26, 2023, June 14, 2023, July 26, 2023, September 4, 2023, October 3, 2023, October 18, 2023, December 4, 2023, January 17, 2024 and March 27, 2024.

The maximum gap between any two meetings of the Board was less than 120 days. All material information was circulated to all the Directors before the meeting or placed at the meeting, including minimum information required to be made available to the Board as prescribed under Part A of Schedule II of the Listing Regulations. The necessary quorum was present for all the Board Meetings.

In case of urgent business needs, the Board's approval was obtained by way of circular resolutions in accordance with the Act.

During the year, a separate meeting of Independent Directors was held on July 26, 2023 without the presence of the Non-Independent Directors and members of the Management of the Company, and all the Independent Directors of the Company participated in the said meeting.

Compliance with the code of conduct

The Company has adopted the Code of Ethics and Business Conduct ("the Code") which sets forth the standards of behavior for the Board and management of the Company. All the Directors and Senior Management of the Company have confirmed compliance with the Code as of March 31, 2024. The code is available on the Company's website at: <https://www.oracle.com/assets/cebc-176732.pdf>

Audit committee

Brief description of terms of reference

The Audit Committee of the Company is governed by the terms of reference adopted by the Board which are in line with the regulatory requirements mandated by the Act and the Listing Regulations.

The primary objective of Audit Committee is to monitor and provide effective supervision of the management's financial reporting process and to ensure accurate, timely and proper disclosures and transparency, integrity and quality of financial reporting.

An extract of the terms of reference of the Audit Committee is given below:

- a) Oversight of the Company's financial reporting process and disclosure of its financial information;
- b) Recommending to the Board the appointment, re-appointment and, if required, replacement or removal of the statutory auditors; fixing their remuneration and the terms of appointment;
- c) Reviewing with the management performance of statutory and internal auditors;
- d) Reviewing with the management quarterly and annual financial statements and auditors' report thereon before submission to the Board for approval;
- e) Evaluating internal financial controls and risk management systems, and adequacy of the internal control systems;
- f) Scrutinizing intercorporate loans and investments;
- g) Approving transactions with related parties and any modifications thereto;
- h) Reviewing the functioning of Whistle Blower mechanism;
- i) Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.

Composition, meetings and attendance of the committee

During the financial year 2023-24, four meetings of the Audit Committee were held on April 26, 2023, July 26, 2023, October 18, 2023 and January 17, 2024. Additionally, business was also dealt with by passing circular resolutions.

The details of the composition of the Audit Committee as on March 31, 2024 and the member's attendance at the Committee meetings during the year then ended are given below:

Name of the Member		Number of meetings attended
Mr. Richard Jackson	Chairperson, Non-Executive, Independent Director	4/4
Mr. S Venkatachalam	Member, Non-Executive, Independent Director	4/4
Mr. Sridhar Srinivasan	Member, Non-Executive, Independent Director	4/4
Ms. Jane Murphy	Member, Non-Executive, Independent Director	4/4
Mr. Vincent Secondo Grelli	Member, Non-Executive, Non-Independent Director	4/4
Mr. Yong Meng Kau	Member, Non-Executive, Non-Independent Director	4/4

The Company Secretary acts as the Secretary to the Audit Committee. The Managing Director and Chief Executive Officer, Chief Financial Officer, Statutory Auditors and Internal Auditors are invitees to the Audit Committee meetings. The Committee also invites certain Non-Executive Directors and members of the management in consultation with the Managing Director from time to time as it considers appropriate. The Chairperson of the Committee was present at the Annual General Meeting held on July 27, 2023.

Nomination and remuneration committee

Brief description of terms of reference

The Nomination and Remuneration Committee of the Company is governed by the terms of reference adopted by the Board which are in line with the regulatory requirements mandated by the Act and the Listing Regulations.

An extract of the terms of reference of the Nomination and Remuneration Committee is given below:

- a) Formulating the criteria for determining qualifications, positive attributes and independence of directors;
- b) Recommending to the Board policies relating to the remuneration of the directors, key managerial personnel, senior management and other employees of the Company;
- c) Reviewing the criteria and conducting the evaluation of performance of Directors and the Board together with Board Committees;
- d) Administering and dealing with all matters concerning the Employee Stock Option (ESOP) Schemes including grant of stock options to the eligible directors, key managerial personnel and employees of the Company and its subsidiary companies from time to time;
- e) Identifying the persons qualified to become directors and recommending to the Board their appointment / re-appointment.

Composition, meetings and attendance of the committee

During the financial year 2023-24, two meetings of the Nomination and Remuneration Committee were held on September 4, 2023 and January 17, 2024. Additionally, business was also dealt with by passing circular resolutions.

The details of the composition of the Committee as on March 31, 2024 and the member's attendance at the Committee meetings during the year then ended are given below:

Name of the Member		Number of meetings attended
Mr. Richard Jackson	Chairperson, Non-Executive, Independent Director	2 / 2
Mr. Harinderjit Singh	Member, Non-Executive, Non-Independent Director	2 / 2
Mr. Sridhar Srinivasan	Member, Non-Executive, Independent Director	2 / 2

Performance evaluation criteria for independent directors

The performance evaluation criteria for the Independent Directors is determined by the Nomination and Remuneration Committee. The factors like regular participation, business expertise, independent views, contribution in the form of knowledge sharing and guidance to strategies and risk management are amongst the performance evaluation criterions.

Remuneration paid to directors

The Nomination and Remuneration Committee determines and recommends to the Board the compensation payable to the Directors, Key Managerial Personnel and Senior Management of the Company. The limit for the commission to be paid to the Independent Directors and the remuneration payable to the Managing Director and Chief Executive Officer; Whole-time Director and Chief Financial Officer of the Company are approved by the Members of the Company. The annual compensation including bonus of the Executive Directors is approved by the Nomination and Remuneration Committee within the limits approved by the Members of the Company. The Non-Executive, Non-Independent Directors does not draw any remuneration.

The Committee reviews the norms for ESOP allocation and approves the grant of the options to eligible employees.

The criteria for payment of commission to the Non-Executive, Independent Directors includes a base commission plus incremental commission depending on the number and type of committees where they are a member or a chairperson, and number of directorships in material unlisted subsidiaries of the Company.

Details of remuneration paid to the directors during the financial year 2023-24

(Amounts in ₹ million, except number of OSUs)

Name of the Director	OSUs* granted under ESOPs during the year	Salary	Contribution to Provident Fund and other funds	Commission paid	Total Amount paid
Executive Directors					
Mr. Chaitanya Kamat ^{#@}	–	32.71	1.10	–	33.81
Mr. Makarand Padalkar [#]	21714	14.44	1.05	–	15.49
Non-Executive, Independent Directors					
Mr. S Venkatachalam [§]	–	–	–	4.40	4.40
Ms. Jane Murphy	–	–	–	3.90	3.90
Mr. Richard Jackson [§]	–	–	–	4.20	4.20
Mr. Sridhar Srinivasan	–	–	–	3.20	3.20
Mr. Mrugank Paranjape [§]	–	–	–	0.65	0.65

*OSUs or OFSS Stock Units are Stock Options granted at an exercise price equal to face value of the shares.

[#]Excluding perquisite on ESOP, Provision for Gratuity and Compensated absence benefit, if any.

[@]Mr. Chaitanya Kamat retired as Managing Director and Chief Executive Officer with effect from close of business hours of October 4, 2023.

[§]Mr. S Venkatachalam and Mr. Richard Jackson completed their tenure as Non-Executive, Independent Directors with effect from close of business hours of March 31, 2024.

[§]Mr. Mrugank Paranjape was appointed as the Non-Executive, Independent Director with effect from December 4, 2023.

During the financial year ended March 31, 2024, the Nomination and Remuneration Committee granted 254781 OFSS Stock Units (OSUs) on various dates at an exercise price of ₹ 5 each under OFSS Stock Plan 2014 to the eligible employees, including Directors of the Company and its subsidiaries as follows:

Date of OSUs grant	Number of OSUs
May 8, 2023	955
August 12, 2023	52269
September 16, 2023	187881
October 9, 2023	13108
February 5, 2024	568
Total	254781

The terms of Employee Stock Options / OSUs granted under OFSS Stock Plan 2014 to the Directors were as follows:

Name of the Director	Options/OSUs outstanding as at April 1, 2023	Options/OSUs exercised & shares allotted	Options/OSUs Cancelled	Options /OSUs outstanding as at March 31, 2024	Exercise price (₹)	Last date for exercise (within 10 years from the date of grant)
Mr. Chaitanya Kamat [@]	5625	5625	–	–	5.00	June 28, 2028
	12500	12500	–	–	5.00	June 26, 2029
	7500	7500	–	–	5.00	September 1, 2029
	22500	15000	7500	–	5.00	July 23, 2030
	25000	12500	12500	–	5.00	July 31, 2031
	38367	9591	28776	–	5.00	September 17, 2032
Mr. Makarand Padalkar	2188	2188	–	–	5.00	June 28, 2028
	5625	5625	–	–	5.00	June 26, 2029
	11250	7500	–	3750	5.00	July 23, 2030
	14000	7000	–	7000	5.00	July 31, 2031
	19151	4787	–	14364	5.00	September 17, 2032
	–	–	–	11631	5.00	September 15, 2033
–	–	–	10083	5.00	October 8, 2033	

[@]Mr. Chaitanya Kamat retired as Managing Director and Chief Executive Officer with effect from close of business hours of October 4, 2023.

The OSUs were issued at ₹ 5 each. The options / OSUs granted under OFSS Stock Plan 2014 vest over a period of 4 years from the date of grant and are subject to continued employment / directorship with the Company.

Stakeholders' relationship committee

The Stakeholders' Relationship Committee of the Company is governed by the terms of reference adopted by the Board which are in line with the regulatory requirements mandated by the Act and the Listing Regulations.

The terms of reference of the Stakeholders' Relationship Committee include:

- a) Considering and resolving grievances of the security holders including complaints related to transfer / transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of duplicate certificates, general meetings, etc.;
- b) Reviewing measures taken for effective exercise of voting rights by the shareholders;
- c) Reviewing adherence to the service standards adopted in respect of various services rendered by the Company's Registrar and Share Transfer Agents;
- d) Reviewing various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders.

Composition, meetings and attendance of the committee

During the financial year 2023-24, one meeting of the Committee was held on January 17, 2024. Additionally, business was also dealt with by passing circular resolution.

The details of the composition of the Committee as on March 31, 2024 and the member's attendance at the Committee meeting during the year then ended are given below:

Name of the Member		Number of meeting attended
Mr. S Venkatachalam	Chairperson, Non-Executive, Independent Director	1/1
Mr. Sridhar Srinivasan	Member, Non-Executive, Independent Director	1/1
Mr. Makarand Padalkar	Member, Executive Director	1/1
Mr. Chaitanya Kamat*	Member, Executive Director	Not Applicable

*Retired with effect from the close of business hours of October 4, 2023.

The Chairperson of the Committee was present at the Annual General Meeting held on July 27, 2023.

Details of shareholders' complaints received, resolved and outstanding during the financial year 2023-24 are given below:

Particulars	No. of Complaints
Complaints outstanding on April 1, 2023	Nil
Complaints received during the financial year ended March 31, 2024	75
Complaints resolved during the financial year ended March 31, 2024	75
Complaints outstanding on March 31, 2024	Nil

All the complaints have been resolved to the satisfaction of the shareholders.

Mr. Onkarnath Banerjee, Company Secretary of the Company, is designated as the Compliance Officer, who oversees redressal of the investors' grievances. Mr. Banerjee is also designated as the Nodal Officer pursuant to Investor Education and Protection Fund Rules.

Risk management committee

The Risk Management Committee of the Company is governed by the terms of reference adopted by the Board which are in line with the regulatory requirements mandated by the Listing Regulations.

The Board of Directors has formulated a risk assessment & mitigation plan to identify, assess and monitor the risks and takes appropriate actions.

An extract of the terms of reference of the Risk Management Committee is given below:

- a) Formulating detailed risk management policy;
- b) Ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- c) Monitoring and overseeing implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- d) Keeping the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken.

Composition, meetings and attendance of the committee

During the financial year 2023-24, two meetings of the Committee were held on August 16, 2023 and January 17, 2024. Additionally, business was also dealt with by passing circular resolution.

The composition of Committee as on March 31, 2024 and the member's attendance at the Committee meetings during the year then ended are given below:

Name of the Member		Number of meetings attended
Mr. Sridhar Srinivasan	Chairperson, Non-Executive, Independent Director	2/2
Mr. Makarand Padalkar	Member, Executive Director	2/2
Mr. Chaitanya Kamat*	Member, Executive Director	1/1
Mr. Avadhut Ketkar (w.e.f. October 5, 2023)	Member, Chief Financial Officer	1/1

*Retired with effect from close of business hours of October 4, 2023.

Corporate social responsibility committee

The scope of Corporate Social Responsibility (CSR) Committee is to prepare and recommend to the Board the Corporate Social Responsibility Policy (CSR Policy), recommend CSR activities and the amount the Company should spend on CSR activities, monitor implementation of CSR Policy and activities from time to time, ensure compliance with all matters relating to CSR and to provide updates to the Board.

Composition, meetings and attendance of the committee

During the financial year 2023-24, two meetings of the CSR Committee were held on April 17, 2023 and January 17, 2024. Additionally, business was also dealt with by passing circular resolutions.

The composition of Committee as on March 31, 2024 and the member's attendance at the Committee meetings during the year then ended are given below:

Name of the Member		Number of meetings attended
Mr. Harinderjit Singh	Chairperson, Non-Executive, Non-Independent Director	2/2
Mr. S Venkatachalam	Member, Non-Executive, Independent Director	2/2
Mr. Makarand Padalkar (w.e.f. October 5, 2023)	Member, Executive Director	1/1
Mr. Chaitanya Kamat*	Member, Executive Director	1/1

*Retired with effect from close of business hours of October 4, 2023.

ESOP allotment committee

The scope of ESOP Allotment Committee is to consider and approve requests for allotment of equity shares on exercise of stock options or OFSS Stock Units by eligible employees of the Company and its subsidiaries.

Composition, meetings and attendance of the committee

During the financial year 2023-24, thirteen meetings of the Committee were held on April 19, 2023, May 3, 2023, May 24, 2023, June 21, 2023, July 19, 2023, August 23, 2023, September 21, 2023, October 26, 2023, November 22, 2023, December 20, 2023, January 17, 2024, February 21, 2024 and March 20, 2024.

The details of the composition of the Committee as on March 31, 2024 and the member's attendance at the Committee meetings during the year then ended are given below:

Name of the Member		Number of meetings attended
Mr. S Venkatachalam	Chairperson, Non-Executive, Independent Director	13/13
Mr. Sridhar Srinivasan	Member, Non-Executive, Independent Director	13/13
Mr. Makarand Padalkar	Member, Executive Director	13/13
Mr. Chaitanya Kamat*	Member, Executive Director	7/7

*Retired with effect from close of business hours of October 4, 2023.

Business responsibility committee

The Company has a Business Responsibility Committee to oversee matters concerning the implementation of Business Responsibility and Sustainability Policy. The Managing Director and Chief Executive Officer acts as the Chairperson of the Committee and the other members are Chief Financial Officer, Chief Accounting Officer, Vice President - Human Resource, Legal Director, Vice President - Business Planning & Operations, Vice President - Real Estate and Facilities and Company Secretary & Compliance Officer.

During the financial year 2023-24, a meeting of the Committee was held on June 6, 2023. Additionally, business was also dealt with by passing circular resolution.

Transfer committee

The scope of Transfer Committee is to consider and approve requests for transfer and transmission of equity shares and other investor related matters. The Committee meetings are held as needed, based on such requests being received from the shareholders.

During the financial year 2023-24, one meeting of the Committee was held on April 26, 2023.

The composition of the Committee as on March 31, 2024 and the member's attendance at the Committee meeting during the year then ended are given below:

Name of the Member		Number of meeting attended
Mr. S Venkatachalam	Chairperson, Non-Executive, Independent Director	1/1
Mr. Makarand Padalkar	Member, Executive Director	1/1

The Committee has been dissolved with effect from April 1, 2024.

Senior Management

The details of senior management as on March 31, 2024 are as under:

Name	Designation
Mr. Arvind Gulhati	Vice President - Business Planning
Mr. Avadhut Ketkar	Chief Financial Officer
Mr. Dharpan Koul	Regional Vice President - Consulting
Mr. Goutam Chatterjee	Vice President - Consulting
Mr. Karthick Prasad	Vice President - Software Development
Ms. Laura Balachandran	Vice President - Business Planning
Mr. Onkarnath Banerjee	Company Secretary & Compliance Officer
Mr. Rajaram Vadapandeshwara	Vice President - Software Development
Mr. Sanjay Bajaj	Vice President - Development Operations
Mr. Sanjay Ghosh	Regional Vice President - Consulting
Mr. Surendra Shukla	Vice President - Product Support
Mr. Tushar Chitra	Vice President - Product Strategy & Marketing
Mr. Unmesh Pai	Vice President - Software Development
Mr. Venkatraman H	Senior Director - Human Resource
Mr. Vikram Gupta	Group Vice President - Banking Development
Mr. Vinayak Hampihallikar	Regional Vice President - Consulting
Mr. Vivek Jalan	Vice President - Real Estate and Facilities

Changes in senior management since the close of the previous financial year – Mr. Avadhut Ketkar, erstwhile Chief Accounting Officer, was appointed as Chief Financial Officer of the Company with effect from October 5, 2023.

General body meetings

Details of last three Annual General Meetings and summary of special resolutions passed therein are as under:

Financial Year	Date and Time	Venue	Gist of special resolutions passed
2022-23	July 27, 2023 5.00 p.m.	Meeting held through Video Conferencing (VC) / Other Audio Visual Means (OAVM)	Approve re-appointment of Ms. Jane Murphy (DIN: 08336710) as an Independent Director of the Company for a further term of five years from January 1, 2024 up to December 31, 2028.
2021-22	August 3, 2022 5.00 p.m.	Meeting held through VC/ OAVM	Adoption of a new set of Articles of Association in place of the existing Articles of Association of the Company.
2020-21	August 4, 2021 5.00 p.m.	Meeting held through VC/ OAVM	Payment of commission to the Directors (excluding Managing Director and Whole-time Director), not exceeding in the aggregate one per cent per annum of the net profits of the Company, for a period of five years commencing from April 1, 2022 to March 31, 2027.

- a) There was no Extra-Ordinary General Meeting held during the last three financial years.
- b) During the financial year 2023-24, the Company passed the following special resolution through postal ballot by way of voting through remote e-voting. The postal ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 8, 2021, 3/2022 dated May 5, 2022, 11/2022 dated December 28, 2022 and 09/2023 dated September 25, 2023, respectively issued by the Ministry of Corporate Affairs from time to time. Details of the voting pattern are provided below:

Sr. No.	Gist of resolution(s) passed	Postal Ballot Notice Dated	Votes polled in favour		Votes polled against	
			No. of votes	%	No. of votes	%
1.	Appointment of Mr. Mrugank Paranjape (DIN: 02162026) as Non-Executive, Independent Director of the Company.	December 4, 2023	76,414,709	99.81	146,809	0.19

The aforesaid resolution was duly passed and the results were announced on January 12, 2024.

Mr. Prashant Diwan, a Practicing Company Secretary (Membership no. FCS 1403 and CP no. 1979), was appointed as the Scrutinizer to scrutinize the postal ballot process by remote e-voting in a fair and transparent manner.

- c) No special resolution is currently proposed to be conducted through postal ballot.

Means of communication

The Company communicates with its shareholders from time to time through multiple channels of communications such as online portals of the Stock Exchanges, press releases, annual reports, newspaper advertisements and uploading relevant information on its website. There were no separate presentations made to institutional investors or to the analysts.

The Company's quarterly financial results, press releases, annual reports and other relevant corporate communications filed with the stock exchanges are also placed on the Company's website at <https://investor.ofss.oracle.com> and the same can be downloaded.

The quarterly, half yearly and annual results of the Company are published in widely circulated English and Marathi newspapers, such as Business Standard and Sakal. All the disclosures made to the Stock Exchanges are also available on the Company's website at <https://investor.ofss.oracle.com>.

The Company emails the soft copies of the Annual Report to all those members whose email addresses are available with the Registrar and Transfer Agent. The investor complaints, as and when received, are being processed through the centralized web based SEBI Complaints Redress System (SCORES).

Members who have not yet registered their email addresses are requested to register the same with their Depository Participants (DPs) in case the shares are held by them in electronic form, or with the Registrar and Transfer Agent of the Company, in case the shares are held by them in physical form.

General shareholder information

Annual general meeting

Day, Date, Time and Venue	Thursday, July 25, 2024 at 3.00 p.m. (IST) through Video Conferencing / Other Audio Visual Means
Financial Year	April 1 to March 31
Dividend Payment Date	Not Applicable

Listing details

Name and Address of the Stock Exchanges where the Company's shares are listed	Stock Code / Symbol
BSE Limited (BSE) Floor 25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001	532466
National Stock Exchange of India Limited (NSE) Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai 400051	OFSS

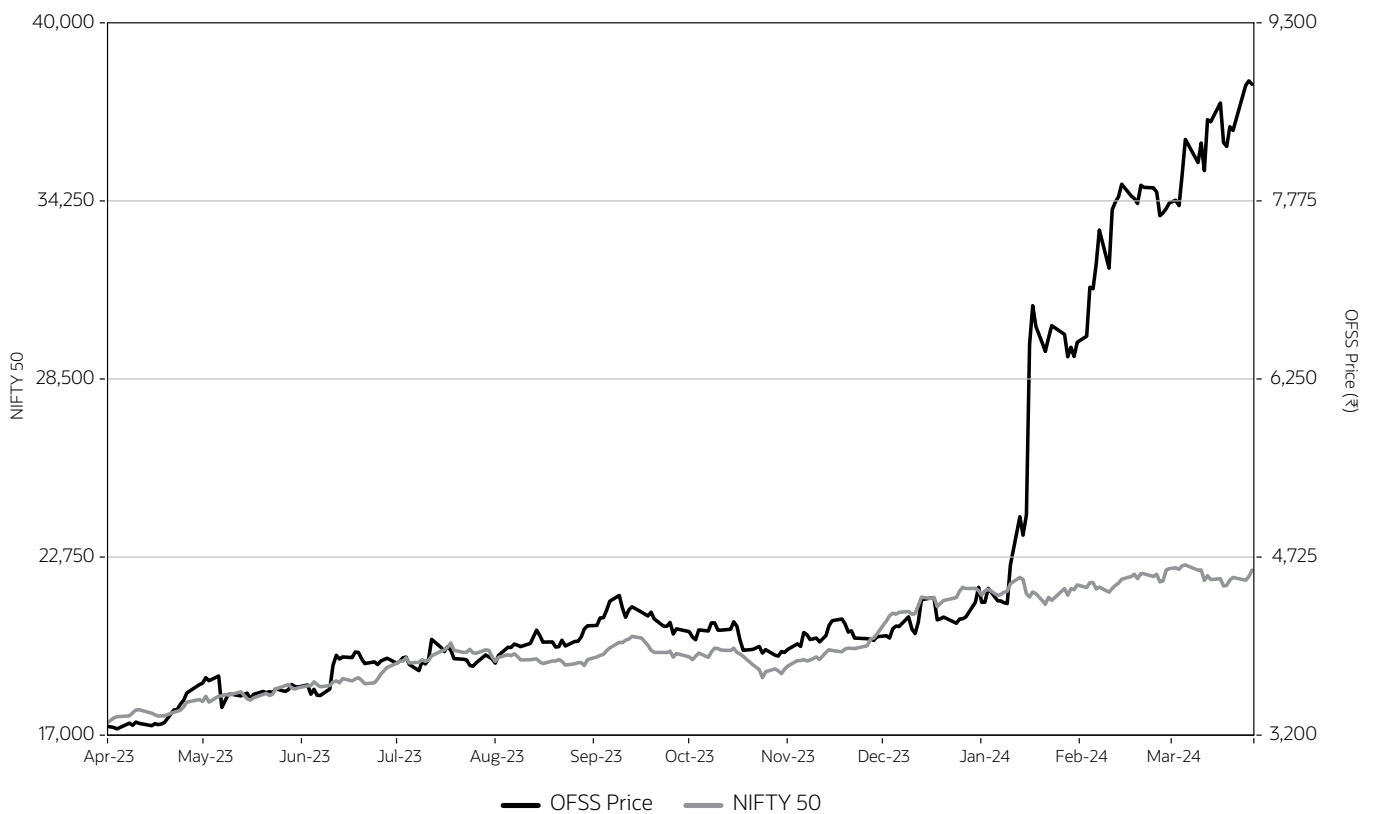
The annual listing fees for the financial year 2023-24 have been paid to both the Stock Exchanges.

Market price data

Monthly high, low and volume of the shares of the Company traded on the Stock Exchanges from April 1, 2023 to March 31, 2024 are given below:

Month and Year	BSE			NSE		
	High (₹)	Low (₹)	Volume of Shares	High (₹)	Low (₹)	Volume of Shares
April 2023	3591.90	3225.70	62869	3590.95	3225.05	1345707
May 2023	3725.00	3418.00	145250	3722.50	3417.25	2317814
June 2023	3970.00	3522.00	85522	3972.95	3519.25	2081759
July 2023	4059.95	3731.40	53042	4048.20	3737.25	1269458
August 2023	4141.70	3798.30	42832	4144.80	3795.30	1354167
September 2023	4528.95	4058.40	51872	4528.45	4059.25	1588568
October 2023	4257.15	3870.00	40116	4263.60	3868.80	1324195
November 2023	4252.15	3875.50	40618	4253.85	3871.25	1978094
December 2023	4397.85	3968.15	165898	4397.55	3968.00	2758743
January 2024	7168.70	4270.50	682380	7173.40	4280.00	17883487
February 2024	8198.50	6386.00	189544	8189.45	6381.00	5358544
March 2024	8892.95	7603.10	234570	8894.00	7602.55	6506788

Performance of the share price of the Company in comparison to NIFTY 50



Registrar and transfer agent

KFin Technologies Limited is the Registrar and Transfer Agent of the Company (“the RTA”) and their contact details are as under:

Address	Selenium Building Plot No. 31 & 32, Tower-B Serilingampally, Nanakramguda Financial District, Hyderabad - 500 032 State of Telangana, India
Toll Free no.	1800 309 4001
Email	einward.ris@kfintech.com
Website	https://ris.kfintech.com

Share transfer system

Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. Pursuant to amendments in the Act and the Listing Regulations with effect from April 1, 2019 securities of listed companies can be transferred only in dematerialized form. Accordingly, to avail benefits of dematerialization, Members are advised to dematerialize the shares which are held by them in physical form.

Pursuant to SEBI Circular dated January 25, 2022, the Company issues the securities in dematerialized form only, upon processing any service requests from shareholders viz., issue of duplicate share certificates, exchange/endorsement/sub-division/splitting/consolidation of securities, transmission/ transposition of securities. After processing the service request, a letter of confirmation is issued to the shareholders, which is valid for a period of 120 days, within which the shareholder should make a request to the Depository Participant for dematerializing those shares. If the shareholders fail to submit the dematerialization request within 120 days, then the Company will credit those shares in the Suspense Escrow Demat account held by the Company. Shareholders can claim these shares transferred to Suspense Escrow Demat account on submission of necessary documentation as may be prescribed by SEBI.

Distribution of shareholding as on March 31, 2024

Paid-up shares in capital (in ₹)	Number of shareholders	% to total shareholders	No. of Shares	Paid-up value (Face value of ₹ 5 each)	% of Total no. of shares
Up to 2500	110051	99.34	3761489	18807445	4.34
2501 to 5000	287	0.26	1035745	5178725	1.20
5001 to 10000	179	0.16	1294309	6471545	1.49
10001 to 20000	122	0.11	1735877	8679385	2.00
20001 to 30000	51	0.05	1285435	6427175	1.48
30001 to 40000	22	0.02	768425	3842125	0.89
40001 to 50000	18	0.01	810852	4054260	0.93
50001 to 100000	20	0.02	1272815	6364075	1.47
100001 & Above	30	0.03	74706709	373533545	86.20
Total	110780	100.00	86671656	433358280	100.00

Dematerialization of shares and liquidity

The equity shares of the Company are tradeable under compulsory demat mode. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE881D01027.

As on March 31, 2024, 99.90% of the equity shares of the Company were held in electronic form and 99.97% of the shareholders held equity shares in electronic form.

Outstanding GDRs / ADRs / warrants / any convertible instruments, conversion date and likely impact on equity

Not Applicable - the Company has not issued any GDRs / ADRs / warrants / any convertible instruments as on March 31, 2024.

Commodity price risk or foreign exchange risk and hedging activities

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not applicable. For details on foreign exchange risk and hedging activities, please refer to Management's discussion and analysis report that forms part of the Annual Report.

Plant locations

In view of the nature of the Company's business, viz., Information Technology Services and Information Technology enabled services, the Company operates from various offices in India and abroad. The Company does not have any manufacturing activities for its operations.

Address for correspondence

The Company Secretary and Compliance Officer
Oracle Financial Services Software Limited
Oracle Park, Off Western Express Highway
Goregaon (East), Mumbai 400063
Maharashtra, India
Tel. no.: +91 22 6718 3000
Fax no.: +91 22 6718 3001
Email: investors-vp-ofss_in_grp@oracle.com
Website: <https://investor.ofss.oracle.com>
CIN: L72200MH1989PLC053666

Credit rating

The Company does not carry any debt and is not required to obtain a credit rating.

Other disclosures

- a) During the financial year ended March 31, 2024, there were no materially significant related party transactions that may have potential conflict with the interest of the Company at large. All related party transactions were in the ordinary course of business and on arm's length basis.
- b) The Company has complied with statutory compliances and no penalty or stricture is imposed on the Company by the Stock Exchanges or Securities and Exchange Board of India (SEBI) or any other statutory authority on any matter related to the capital markets during the last three years.
- c) The Company has a Whistle Blower Policy / Vigil mechanism which provides adequate safeguards to employees who wish to raise concerns about violations of the Code of Ethics and Business Conduct, incorrect or misrepresentation of any financial statements and reports, unethical behavior, etc. No person has been denied access to the Audit Committee.
- d) The policy for determining material subsidiaries is disclosed on the Company's website at: <https://www.oracle.com/a/ocom/docs/industries/financial-services/policy-determining-material.pdf>
- e) The related party transactions policy as approved by the Board is available on the Company's website at: <https://www.oracle.com/a/ocom/docs/industries/financial-services/ofss-party-transactions-policy.pdf>
- f) The Company does not undertake any trading in commodities.
- g) The Company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the Listing Regulations.
- h) A certificate from Mr. Prashant Diwan, Practicing Company Secretary, has been received stating that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Director of the Company by the SEBI, Ministry of Corporate Affairs (MCA) or any such statutory authority.
- i) M/s. S. R. Batliboi & Associates LLP, Chartered Accountants (Firm Registration no. 101049W / E300004), are the Statutory Auditors of the Company. The details of total fees (including taxes) paid by the Company and its Subsidiaries to the Statutory Auditors and all entities in their network firm for the financial year 2023-24, on a consolidated basis, are given below:

Particulars	Amounts (₹ in million)
Audit Fees*	56.43
Others	2.45
Total	58.88

*Includes audit and audit related services.

- j) Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Particulars	No. of Cases
Number of complaints filed during the financial year 2023-24	1
Number of complaints disposed of during the financial year 2023-24	NIL
Number of complaints pending as at the end of the financial year 2023-24	1

- k) The Company is compliant with the applicable mandatory requirements of Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations. The Company has also complied with the requirements of the Corporate Governance Report as provided in Part C of Schedule V of sub-regulations (2) to (10) of the Listing Regulations. A certificate from Mr. Prashant Diwan, Practicing Company Secretary confirming compliance with conditions of Corporate Governance, forms part of this Report.
- l) Unclaimed Dividend: Pursuant to Sections 124 and 125 and other applicable provisions, if any, of the Companies Act, 2013, any money transferred to unpaid dividend account which is not encashed / claimed within seven years from the date of declaration are to be transferred to the Investor Education and Protection Fund (IEPF) Authority. The Company has uploaded the details of unpaid / unclaimed amounts lying with the Company as on March 31, 2024 on the Company's website at <https://investor.ofss.oracle.com> and on the website of the Ministry of Corporate Affairs at www.iepf.gov.in.

- m) Details of Demat Suspense Account/ Unclaimed Suspense Account: In terms of Part C of Schedule V of the Listing Regulations, there are no shares outstanding in demat suspense account / unclaimed suspense account of the Company.
- n) During the financial year 2023-24, no loans and advances have been granted to firms / companies in which Directors of the Company are interested.
- o) The details of material subsidiaries, including the date and place of incorporation, name and date of appointment of statutory auditors are as under:

Sr. No.	Name of the Subsidiary	Date & Place of Incorporation	Name of Auditors	Date of Appointment of Auditors
1)	Oracle Financial Services Software B.V.	May 19, 2000 The Netherlands	Ernst & Young Accountants LLP	May 22, 2024
2)	Oracle Financial Services Software Pte. Ltd.	November 16, 2001 Singapore	Ernst & Young LLP	June 27, 2023
3)	Oracle Financial Services Software, Inc.	December 4, 2001 Delaware, USA	Not Applicable. These subsidiaries are not required to get their financial statements audited under the law of the country of its incorporation.	
4)	Oracle Financial Services Software America, Inc.	December 15, 2003 Delaware, USA		

- p) Pursuant to Schedule III, Para A, Clause 5A of Listing Regulations, there are no agreements impacting management or control of the Company or imposing any restriction or create any liability upon the Company.

Discretionary requirements as specified in Part E of Schedule II of the listing regulations:

- a) Separate posts of Chairperson and Chief Executive Officer: the Chairperson of the Board is a Non-Executive Director and his position is separate from that of the Managing Director and Chief Executive Officer of the Company.
- b) The Statutory Auditors have issued unmodified audit opinion / report for the financial year 2023-24.
- c) The Internal Auditor of the Company reports to the Audit Committee.

CEO & CFO Certificate

April 24, 2024
The Board of Directors
Oracle Financial Services Software Limited
Mumbai

CEO & CFO Compliance Certificate pursuant to Regulation 17(8) and Part B of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

We the undersigned, in our respective capacities as Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") of Oracle Financial Services Software Limited ("the Company"), certify that:

- A. We have reviewed the financial statements and the cash flow statement of the Company for the year ended March 31, 2024 and that to the best of our knowledge and belief state that:
1. These statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading.
 2. These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- B. We further state that to the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2024 are fraudulent, illegal or violative of the Company's code of conduct.
- C. We are responsible for establishing and maintaining internal controls for financial reporting and evaluating the effectiveness of the internal control systems over the financial reporting of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated, to the auditors and the Audit Committee, wherever applicable:
1. Significant changes in internal control over financial reporting during the year ended March 31, 2024.
 2. Significant changes in accounting policies during the year ended March 31, 2024; and that the same have been disclosed in the notes to the financial statements; and
 3. Instances of significant fraud, of which we have become aware and the involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Oracle Financial Services Software Limited

Makarand Padalkar
Managing Director & CEO
DIN: 02115514

Avadhut Ketkar
Chief Financial Officer

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

As provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and Senior Management Personnel have confirmed compliance with the Code of Ethics and Business Conduct for the financial year ended March 31, 2024.

For Oracle Financial Services Software Limited

Makarand Padalkar
Managing Director & CEO
DIN: 02115514
Mumbai, April 24, 2024

Certificate on corporate governance

To the Members,

Oracle Financial Services Software Limited

I have examined the compliance of conditions of Corporate Governance by **Oracle Financial Services Software Limited** for the year ended **31st March, 2024** as stipulated in the Regulation 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanation given to me and based on the representations made by the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Regulation 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

CS Prashant Diwan

Practicing Company Secretary

FCS No.: 1403 / CP No.: 1979

PR: 1683/2022

UDIN: F001403F000563338

Date: June 12, 2024

Place: Mumbai

Management's discussion and analysis

Management's discussion and analysis of financial condition and results of operations

Technology trends in the financial services industry and outlook

The banking and financial services industry has been undergoing a rapid transformation driven by technological advancements. Banks and financial institutions are leveraging cutting-edge tools to enhance customer experiences, streamline operations, manage regulations, and stay competitive in a digital-first world. Technology offers a choice of deployment models to the banks and significantly impacts the investments needed and time to respond to the market.

The factors disrupting the industry are:

Componentization and flexible deployment

Banks gain agility by deploying solutions that are componentized and developed for a cloud native microservices based architecture. Cloud based deployments enable banks to prioritize their investments in areas which give maximum return and provide scalability without burdensome investments. As traditional institutions seek to innovate and adapt to changing consumer preferences, the collaboration between their core solution and Fintechs offering a local niche functionality gives significant time to market advantage. Many banks and financial institutions are now partnering with fintech firms alongside their core solution to enhance digital offerings, improve customer experiences, and drive growth in new markets.

Disruptive innovations

AI (artificial intelligence) paradigms such as machine learning, natural language processing, and predictive analytics are being leveraged by banks to automate routine tasks, personalize customer experiences, manage risks and optimize decision-making processes. Chatbots and virtual assistants powered by AI & ML are enhancing customer experience through an efficient and personalized interaction mechanism.

Generative AI can process large chunks of information in the back-office, performing predictable tasks instantaneously, thereby reducing cycle time. Bankers no longer need to sift through voluminous documents and records, which helps in eliminating manual errors, improving fraud detection, and facilitating credit decisioning. Machine learning and artificial intelligence algorithms play a crucial role in detecting and preventing fraudulent activities in the banking and financial services industry. These technologies can analyze vast amounts of data in real-time to identify suspicious patterns and anomalies that may indicate a potential risk.

Dynamic regulations and security vulnerabilities

As technology further reshapes the banking and financial services landscape, privacy, cybersecurity, and regulatory compliances continue to be the focus areas. Compliance with regulations such as PSD2 and KYC/AML requirements is also critical to maintaining trust and credibility in the eyes of regulators and customers. Financial institutions can significantly reduce the risk of identity theft and unauthorized access through the implementation of robust encryption, biometric authentication and other technology-based tools that can interoperate with their technology solutions.

In summary

The banking and financial services industry is poised for further disruption driven by emerging technologies and evolving competition and regulations. We are committed to empowering financial institutions to become more responsive, agile, collaborative, and insightful in their businesses. Our solutions are architected to enable financial institutions establish new business models, operate flexibly, respond proactively to market conditions, create new business opportunities and drive growth.

Business overview

Our banking technology blueprint is designed for disruptions.

Oracle Financial Services Software Limited is a global leader in providing financial technology solutions for retail banking, corporate banking, captive financial institutions, risk and finance, and financial crime and compliance management. We empower financial institutions to become more responsive, agile, collaborative, and insightful in what they do by leveraging the outcomes of the latest technologies.

The products business is our principal business segment. We provide a comprehensive suite of IT solutions delivering a compelling digital experience and engagement to the financial institutions of varying business focus, geographic spread, and scale. Our customers rely on our solutions to modernize their technology platforms, accelerate digitization and deliver superior customer services.

Finergy is our services business comprising our bespoke consulting services business.

Our solutions are built on three pillars.

Flexible architecture and choice of deployment

Our solutions are architected to enable financial institutions establish new business models, operate flexibly, respond proactively to market conditions, create new business opportunities and drive growth. Our solutions are built on microservices and embedded with AI and designed for easy consumption by the banks. We help solve critical problems in the financial services industry by delivering embedded financial experiences for all banking services, revitalizing global trade and supply chains, modernizing finance and risk management.

Resiliency and high availability

To keep up with the demands of today's global businesses, banks today need resilient systems that are always on and deliver high throughput, which is facilitated through our products. Our product processors enable immediate provisioning and availability, extensive yet simple configurability, and easy bolt-on to legacy systems. Memory grids enable a scalable and concurrent hyper-performance while automated patching and lower disaster recovery switchover times help banks lower costs. Concurrently our analytical applications are designed to perform complex computations on large scale of data for risk management, fraud detection and compliance.

Enhanced customer experiences with innovation built-in

Our solutions deliver a modern and immersive persona-based user experience that offers a responsive design, advanced data visualization capabilities, AI-powered recommendations and natural language interactions for the end users. Our built-in innovations enable banks and financial institutions to leverage advanced technologies such as AI-powered credit decisioning, graph analytics for financial crime investigation, IoT for usage-based lease pricing and blockchain for digital asset banking.

Products

We provide a comprehensive suite of IT solutions delivering a compelling digital experience and digital engagement to the financial services industry.

Oracle Banking

Banks are increasingly looking at cloud-based solutions to reduce costs, faster time to market and gain the flexibility to quickly scale their operations based on demand. We offer true Software as a Service (SaaS) end-to-end infrastructure built on a microservices architecture. Our cloud native SaaS services are designed to help banks modernize their business capabilities faster and with lower risk. The services can run standalone, work seamlessly together, and coexist with other applications to help banks lower costs and risk while powering innovation. The new services are built to deliver performance and can leverage faster provisioning and availability.

Our solutions enable banks to build a truly digital and seamless front-end, and to position themselves as a comprehensive marketplace providing end-to-end offerings through their banking portals. Our SaaS-based, packaged solution offers more than 1,800 ready-to-deploy business and foundational banking APIs to help banks in their quest to offer complete banking as a service. For corporate banks, our solutions don't just deliver enhanced self-service capabilities, but also enable corporates to integrate the banking front-end with their ERP systems through our banking APIs.

Our intelligent front-end customer engagement tools offer advanced capabilities such as voice banking on Alexa and chatbot, P2P payments from social media and digital channels, and even corporate approvals using applications such as WhatsApp. For the mid-office and back-office, AI helps extract identities and information from reports, invoices, and filings, and detect fraud or trace anomalies in unstructured data. OCR tools address the problem of voluminous documentation through automated document extraction and verification capabilities.

Retail Banking

Empowering retail banking customers

Retail banking has witnessed significant disruptions over the past few years led by evolving customer demands, dynamic global business scenarios, and technology disruptions. The customer, exposed to an increasingly personalized experience across the service industries, is now expecting similar empowerment from banks and financial institutions. The retail banks are also facing competition from a slew of non-traditional agile players who operate in niche areas. To keep up with these challenges, banks need software solutions that can not only deliver a stable banking platform, but also leverage disruptive technologies such as AI and ML to analyze customer data and provide personalized services. AI and ML can also be used to detect and prevent fraud, improve customer service, and automate routine tasks. Banks are also exploring the use of blockchain to improve their operations, including reducing transaction times, increasing security, and reducing costs. More and more banks today are looking for ways to deliver not just banking but also other innovative financial products as well as e-commerce services integrated with their banking applications. In summary, the retail banking industry is undergoing significant changes and software solutions are playing a critical role in driving this transformation. Banks that embrace these trends and invest in the right software solutions will be better positioned to meet the changing needs of their customers and stay competitive in the market.

Our retail banking solutions enable banks to innovate and respond with speed and agility to their demanding customers. Over the years, we have built loyalty and trust by delivering customer-centric digital banking and operational intelligence across the customers' middle and back offices. Our retail banking solutions offer efficient mobile banking, faster transaction processing, and personalized account insights to build stronger customer relationships and quicker business outcomes. By deploying an agile and adaptive microservices-based architecture with built-in innovation, we offer flexibility in the choice of cloud or on-premises

deployment based on customer preference. A leading global bank used Oracle Banking Digital Experience to reduce the cost per transaction by 90%. A long-standing customer of Oracle automated the majority of processes across the front and back office, improving operational SLAs by more than 50%.

Corporate Banking

Helping corporate banks enable a vibrant global ecosystem

The corporate banking software market has been growing rapidly in recent years, driven by the need for banks to provide better services to their corporate clients and the increasing adoption of digital technologies. Similar to retail customers, the corporate customers also need support of their bank in keeping in step with their own business transformation. The banks also need to cater to new age corporations with a strong digital focus.

To cater to these needs, banks are leveraging disruptive technologies such as artificial intelligence, machine learning, and data analytics to automate processes, improve efficiency, and provide better insights into customer behavior. Using open banking, banks are partnering with fintech startups and other third-party providers to offer their corporate clients a range of solutions that can help them manage their finances more efficiently.

Our corporate banking solutions can help banks adopt to these rapid developments in the industry. Our comprehensive offerings across trade and supply chain finance, corporate credit, and treasury management can help banks better manage their global operations effectively. As one of the leading banking IT solutions providers, we are at the forefront of the ongoing transformation towards componentization and adoption of microservices-based architecture to make each component a standalone unit of value.

Lending and Leasing

Enabling specialized financial institutions deliver tailored financing solutions to their customers

The emergence of the subscription economy has also resulted in the development of new financing options and models for specialized financial institutions. Our solution for asset finance delivers seamless, end-to-end digital capabilities, from origination to servicing through collections and asset management. It offers flexible deployment options in the cloud. Its open architecture can integrate with any compatible system, application, or device. This solution improves the customer experience with a modern digital platform that supports the subscription economy; enables flexibility that drives business growth and increases productivity and efficiency with automated processes and transactions.

Payments

Enabling real-time payments at scale across geographical boundaries

Our payment solutions as well as our digital and open banking capabilities span corporate and retail banking. Our cloud-native digital payments solution is built natively on the ISO 20022 framework and is available by subscription that enables banks and financial institutions process payments in real time, anywhere, and at scale. The solution helps banks stay ahead of the game and optimize transaction efficiency with a one-stop payment processing for multiple payment types, is constantly updated to reflect scheme rulebooks and guidelines, and supports SWIFT GPI for low-value cross-border payments.

A specialized digital payments platform leveraged Oracle Banking Payments to help freelancers and small businesses send and receive money worldwide efficiently and promptly.

Digital Experience

Delivering immersive SaaS cloud-native digital experiences

Our digital banking capabilities ensure that the banks' corporate as well as retail customers have access to the latest technology across all contemporary digital channel; be it mobile, desktop, social media, or video banking. Oracle's digital banking platform, built on a cloud-native infrastructure, offers high availability and exceptional security ensuring banks meet the dynamic needs of customers with continuous feature enhancements. Oracle caters to the growing need for a mature packaged banking API solution that can help banks accelerate their path to transforming into an open API platform delivering immersive digital banking experiences.

A fast-growing private bank in India implemented Oracle FLEXCUBE and Oracle Banking Digital Experience to bring new capabilities to millions of customers and help support underserved segments of Indian society.

Oracle Banking Products Portfolio

Our product portfolio has significantly expanded over the years and these components can be flexibly offered to suit the business requirements of the banks. Our **Oracle FLEXCUBE Universal Banking** coupled with **Oracle Banking Accounts** enables banks to offer retail and corporate banking services that meet evolving customer needs and effectively comply with regulatory guidelines and industry standards. The solution enables streamlining and automation of core processing and operations. Embedded machine learning capabilities help unlock the value of data with new insights.

The portfolio focused on retail banking consists of **Oracle Banking Origination** which helps reimagine originations by driving a personalized, consistent, and frictionless experience with the customer at the center; **Oracle FLEXCUBE for Islamic Banking** a comprehensive Sharia-compliant solution for Islamic banks; **Oracle Banking Platform** a componentized solution designed as a native SOA platform, helping banks progressively transform their business models by streamlining and automating business processes; **Oracle Banking Branch** that helps reinvent the bank branch from a point of service to a point of sale and advice.

The portfolio focused on corporate banking comprises of **Enterprise Limits and Collateral Management**, an enterprise offering that enables banks to accelerate credit origination and servicing, prequalify credit lines, track exposures to customers in real time, and mitigate business risks; **Virtual Accounts Management** that helps corporate banking clients manage complex global account structures and control working capital; **Liquidity Management** enables banks to run a single centralized, standalone liquidity management solution; **Supply Chain Finance**, an end-to-end solution that supports the full lifecycle of supply chain finance and factoring across receivables and payables, offering supplier-centric and buyer-centric financing; and **Trade Finance**, a comprehensive solution for managing trade finance operations in a unified manner.

Further, **Oracle Banking Treasury Management**, a comprehensive real time solution for the treasury back office; **Cash Management** that enables banks to help their corporate clients manage their working capital effectively while adhering to regulatory requirements; **Corporate Lending**, an end-to-end digitally enabled lending solution which enables easy integration with banks' internal and external systems of customers, partner banks and agencies which support open interface (API) standards and delivers faster loan processing, coupled with **Corporate Lending Process Management** that delivers the flexibility needed to manage the complete corporate loan lifecycle; **Credit Facilities Process Management**, a comprehensive credit management solution; and **Trade Finance Process Management** that automates and streamlines the entire lifecycle of trade instruments and operations across all stages. Our **Oracle Banking Payments** is an advanced solution that enables banks and financial institutions process payments in real time, anywhere, and at scale.

Oracle Banking Digital Experience helps banks deliver immersive SaaS cloud native digital banking experiences with a persona-centric design engineered for safety, reliability, scale, sustainability, and convenience. Together with **Oracle Banking APIs** it helps customers jump-start API banking with more than 1,800 ready-to-deploy business and foundational banking APIs.

Oracle Financial Services Lending and Leasing provides end-to-end capabilities from origination into servicing and through collections, and together with **Oracle Banking Collections and Recovery**, an enterprise-wide collections and recovery module, which supports complete collections lifecycle and optimizes the management of delinquencies at every stage.

Oracle FLEXCUBE Investor Servicing is a flexible, highly configurable, and widely deployed transfer agency platform that helps automate transfer agency operations, fund distribution, and pension recordkeeping.

Modern Risk and Finance and Financial Crime and Compliance Management

Our **Modern Risk and Finance and Financial Crime and Compliance Management** solutions are led by **Oracle Financial Services Analytical Applications (OFSAA)** which is a suite of industry leading applications catering to the critical areas of Risk, Finance, Treasury, Front office, Regulatory Reporting and Compliance.

Within OFSAA, we offer a unified set of finance, risk, and compliance applications to banks and insurance companies. These applications are grouped into five portfolios, and each portfolio comprises of a set of related products and services designed to collectively meet the portfolio objectives. In addition, the products in each portfolio work interconnectedly across portfolios. This interconnectivity generates a multiplier value effect for our customers who have purchased these products and services across the portfolios. All our applications are powered by our **Analytical Applications Infrastructure (AAI)** and **Model Management and Governance (MMG)** – together they provide globally patented – US Patents & Trademarks (US-PTO) and European Union Patents Office (EPO) – state of the art tools, frameworks, libraries, and models that support building of all the OFSAA applications. They support deterministic, stochastic, and predictive analytics framework that delivers the foundation for Artificial Intelligent (AI), Machine Learning (ML) and Generative Artificial Intelligence (GenAI). The solution portfolios are described below with brief explanations about each of them and mentions a few salient products in each portfolio:

Unified Data Foundation

Analytics is the driving force behind many strategic decisions financial institutions make and the key to meeting regulatory requirements. But, if analytics is a driving force, data is the fuel that feeds this force. Without complete, consistent, and accurate data behind the analytics, the financial institution will struggle to make critical strategic decisions or stay compliant. And without the proper tools, financial institutions spend a lot of time and effort sourcing and cleansing data to help ensure the analytics are leveraging the correct information. Unified Data Foundation solutions provide a proactive, forward-looking use and re-use of traditional and new data sources from a single, unified source.

This portfolio consists of the product **Financial Services Data Foundation**, which drives our customer's business with unprecedented performance, responsiveness, scalability, and manageability by gaining a single view of enterprise-wide data. **Accounting Foundation** provides a detailed instrument ledger with balance figures that align by design with those in the general ledger. **Data Integration Hub** manages upstream data acquisition and maintenance powered by ML and GenAI through intuitive business-driven capability. And finally, **Data Governance** provides active governance for accuracy that can integrate directly into Bank's risk and finance processes.

Risk, Profitability & Balance Sheet Management

Having a competitive edge in the marketplace through timely, actionable intelligence and insights is key to the success of financial institutions delivering on their vision. Having systems and services that can process a large amount of data (billions of rows of instrument-level data) with a multitude of dimensions (products, business units, geographies, customer segments, currencies) in a timely manner is required to deliver those insights. Profitability & Balance Sheet Management solutions identify the banks' portfolios' most profitable customers, products, and organizations. These solutions optimize reward versus risk with accurate, up-to-date financial information. They are also used to develop integrated, accurate, continuous planning and forecasting across multiple dimensions, including lines of business, customer segments, and products.

This portfolio contains the products such as **Liquidity Management** which optimizes interest and fuse information across various different accounts, so that customers can manage daily liquidity in a consolidated way; **Liquidity Risk Regulatory Reporting** which addresses the customers' liquidity risk requirements, both regulatory and management. It performs and reports regulatory calculations such as Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR), based on guidelines issues by Bank of International Settlements (BIS). **Profitability Analytics** helps identify the most profitable customers, products, and organizations and monitor key performance indicators. The analytics is powered by AI – NLP, NLG and LLMs – which enables meaningful interactions and rapid decision making by the executives.

Accounting Standards & Regulatory Reporting

Accounting standards provide financial institutions with transparency, credibility, and access to capital. Investors and creditors typically prefer financial institutions that follow established accounting standards, as it assures them of the reliability and comparability of financial information. This can make it easier for institutions to access capital through debt and equity markets, helping them fund their growth and operations. These advantages support better decision-making, effective risk management, and stakeholder confidence, ultimately contributing to the bank's long-term success and stability.

While accounting rules and disclosures are governed by international standards bodies and are self-regulatory in nature, financial institutions also have legally binding regulatory requirements, and adherence is required to avoid penalties and sanctions. Non-compliance can result in damage to reputation, loss of operating licenses, and legal action. Regulatory requirements such as Basel guidelines and stress testing are designed to promote financial stability by ensuring that financial institutions maintain sufficient capital to absorb potential losses. This reduces the risk of bank failures, which can have severe consequences for the broader financial system and the society at large. By requiring banks to perform stress testing, regulators can assess the resilience of individual institutions, the financial system, and the broader economy. This helps identify potential vulnerabilities and implement measures to mitigate systemic risks.

Accounting Standards & Regulatory Reporting solutions alleviate operating costs of our customers by keeping up with changing standards and regulations with out-of-the-box support for regulations and industry standards. These solutions also make it possible to manage and execute multi-jurisdictional regulatory reporting in a single integrated environment.

This portfolio consists of products **IFRS 9 & IFRS 17** which bring transparency in reporting of financial instruments and insurance contracts. Products like **CECL & LDTI** provide US GAAP accounting standards compliance for credit provisions and insurance contracts. **Climate Change Analytics** enables International Sustainability Standards Board (ISSB) accounting standards compliance for Banks, Green House Gases (GHG) Emission Scope Reporting and risk analytics. **Basel & Regulatory Capital** covers Pillar I requirements across Basel II and Basel III guidelines including Risk Weighted Assets (RWA), Capital Ratios, Capital Buffers, Leverage Ratio, CVA computations, and supplementary leverage ratio of the bank. **Enterprise Stress Testing & Scenario Analysis** empowers banks and financial institutions to define and perform enterprise wise stress tests and scenario analysis in an integrated and centralized manner.

Financial Crime & Compliance Management (FCCM)

Financial institutions are required to safeguard their systems from being used for illicit purposes by detecting and reporting suspicious activities like money laundering, fraud, or other financial crimes of its customers and customers' counterparties to local regulatory authorities. They are required to implement strong KYC & Customer Due Diligence program to understand the compliance risk profile of its customers. They are also required to deny access to their services to individuals and entities as per international and national sanctions and embargoes – which involves freezing of assets and restricting financial transactions with certain countries, organizations, or individuals. FCCM solutions – **Anti Money Laundering, Know Your Customer, Customer Screening, Sanctions Filtering, Enterprise Case Management and Suspicious Activity Reporting** - comprise of a modern, comprehensive, and extensible suite of applications that enable financial institutions with advanced capabilities to effectively combat financial crime and comply with regulations while enhancing operational efficiency. These solutions are built with leveraging AI and Machine Learning platforms, such as Graph, and incorporate principled, responsible AI for ethical use.

One of the key innovative products in FCCM portfolio is the **Compliance Studio** which has ML based behavioral risk scoring to predict propensity of crime, unsupervised segmentation & anomaly detection to identify changing behaviors and more accurately capture risk. It has regulator accepted scenario catalog, typology-based scenarios and models which look for fingerprints of criminal activity & supervised models which look at many combined red flags to create actionable cases. Compliance Agent deploys "ethical money launderers" to stress test compliance controls and provide program insights to CCO's, robust model ops to ensure models are performing as expected and within policy, automated calibration to self-tune, automated case completion and **SAR Filing**. **Investigation Hub** is a user centric platform that combines analytics and case management – graph analytics-based investigation, automated narrative generation to optimize investigator efficiency, LLM investigator to automate LO & L1 cases and next best case – to serve the right cases at the right time to the right investigators.

Services

Oracle Finergy, across our Consulting Services & Business Process Services business lines, enables financial services enterprises to drive simplicity using technology, helping them engage with their customers in a personalized and frictionless manner.

The **Consulting Services business** uses a domain-driven design approach to deliver technology solutions across the 'Change the Bank' & 'Run The Bank' spectrum for firms in the Banking, Capital Markets and Insurance industries. This includes transforming on-premise business applications, enabling resiliency through compute & data workload migrations to the cloud, driving cloud native digital innovation, enabling automation-led Application Support, and driving deeper insights from data through AI-led solutions for decision support and intelligent automation.

The **Business Process Services business** provides cost effective and high-quality services ranging from Transaction Processing, Finance & Accounting Services, Data Ops Services, Reporting Services & Helpdesk services for the banking, capital markets, mortgage & insurance domains, leading with a tech-enabled automation approach backed by use case aligned RPA and AI-led solutions. This comprehensive ecosystem of business process services is backed by a mature process and consulting framework. The business process offerings are ISO 9001 certified for quality management and ISO 27001 certified for information security management.

Analysis of our consolidated financial results

The following discussion is based on our audited consolidated financial statements which have been prepared in accordance with Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013 ("Act") read with relevant Rules of the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

The consolidated financial statements as at March 31, 2024 include Oracle Financial Services Software Limited ("Company"), its subsidiaries and Controlled Trust (together referred to as "OFSS group" as described in note 1 to the consolidated financial statements).

You should read the following discussion of our financial position and results of operations together with the detailed consolidated Ind AS financial statements and the notes which form integral part of such financial statements. Our financial year ends on March 31 of each year.

Performance summary

	(Amounts in ₹ million)		
	Products	Services	Total
Year ended March 31, 2024			
Revenue from operations	57,862.01	5,867.60	63,729.61
Operating expenses	(30,388.04)	(4,255.25)	(34,643.29)
Unallocable expenses			(2,284.89)
Income from operations	27,473.97	1,612.35	26,801.43
Operating margin	47%	27%	42%
Profit for the year			22,193.62
Profit margin			35%
Year ended March 31, 2023			
Revenue from operations	51,309.00	5,674.09	56,983.09
Operating expenses	(26,838.05)	(4,370.08)	(31,208.13)
Unallocable expenses			(1,994.35)
Income from operations	24,470.95	1,304.01	23,780.61
Operating margin	48%	23%	42%
Profit for the year			18,061.41
Profit margin			32%

Our total revenues in the financial year ended March 31, 2024 were ₹ 63,729.61 million, an increase of 12% over our total revenues of ₹ 56,983.09 million in the financial year ended March 31, 2023. The increase in revenues was primarily attributable to increase in the revenues from our products business.

Income from operations in the financial year ended March 31, 2024 was ₹ 26,801.43 million representing an increase of 13% from ₹ 23,780.61 million in the financial year ended March 31, 2023. The profit for the year in the financial year ended March 31, 2024 was ₹ 22,193.62 million, as against ₹ 18,061.41 million in the financial year ended March 31, 2023.

Revenues from operations

Products revenues

Our products revenues represented 91% and 90% of our total revenues for the financial year ended March 31, 2024 and March 31, 2023 respectively. Our products revenues were ₹ 57,862.01 million in the financial year ended March 31, 2024, an increase of 13% from ₹ 51,309.00 million during the financial year ended March 31, 2023.

The percentages of our products revenues from different streams were as follows:

	Year ended March 31, 2024	Year ended March 31, 2023
License fees	15%	15%
Consulting fees	51%	52%
Maintenance fees	34%	33%
Total	100%	100%

Services revenues

Our services revenues represented 9% and 10% of our total revenues for the financial year ended March 31, 2024 and March 31, 2023 respectively. Our services revenues were ₹ 5,867.60 million in the financial year ended March 31, 2024, an increase of 3% from ₹ 5,674.09 million in the financial year ended March 31, 2023.

The percentage of total services revenues from time and material contracts was 24% in the financial year ended March 31, 2024 and 48% in the financial year ended March 31, 2023, with the remainder of our services revenues attributable to fixed price contracts.

Finance income and other income, net

Our finance and other income primarily comprise of interest on bank deposits and foreign exchange gain / loss. Our finance and other income in the financial year ended March 31, 2024 was ₹ 3,421.92 million, as compared to ₹ 1,918.43 million in the financial year ended March 31, 2023.

Expenses

Operating expenses

Our operating expenses consist of costs attributable to compensation of employees, project related travel expenses, professional fees paid to vendors, application software for internal use, selling and marketing expenses (including commissions payable to our partners), research and development expenses, product advertising and marketing expenses, finance cost, contribution towards Corporate Social Responsibility and overhead expenses associated with support functions such as human resources, finance, facilities and infrastructure, along with depreciation and amortization. We recognize these expenses as incurred.

Employee costs

Our employee compensation related expenditure increased by 8% to ₹ 29,828.25 million in the financial year ended March 31, 2024 from ₹ 27,741.72 million in the financial year ended March 31, 2023. Employee costs relate to salaries and bonuses paid to employees, retiral benefits, stock compensation charge along with staff welfare activities for employees. Increase in employee costs was primarily on account of compensation increase during the current financial year.

Travel related expenses

Our travel related expenditure increased by 33% to ₹ 1,228.14 million in the financial year ended March 31, 2024 from ₹ 923.58 million in the financial year ended March 31, 2023. Travel costs relate to airfare, accommodation and other related expenses incurred on travel of our employees on projects, sales and marketing, etc. Increase in travel related expenses was primarily on account of increased in projects related travel.

Professional fees

Our professional fees related expenditure increased by 26% to ₹ 2,624.88 million in the financial year ended March 31, 2024 from ₹ 2,089.39 million in the financial year ended March 31, 2023. Increase in professional fees was primarily on account of increase in cloud infrastructure cost and increase in hiring of external consultants to meet the peak period requirements.

Finance cost

Our finance cost increased by 122% to ₹ 281.09 million in the financial year ended March 31, 2024 from ₹ 126.55 million in the financial year ended March 31, 2023. Finance cost relates to interest on lease liability and income tax.

Other expenses

Our other expenditure increased by 47% to ₹ 2,223.24 million in the financial year ended March 31, 2024 from ₹ 1,514.62 million in the financial year ended March 31, 2023. Other expenses primarily consist of Corporate Social Responsibility expenditure (CSR), bad debts, Impairment loss on contract assets, facilities/infrastructure costs, application software fees, communication expenses, auditors' remuneration and other miscellaneous expenses. Increase in other expenses was primarily on account of increase in facilities costs, increase in CSR spend due to increase in average profits for the last 3 years, and increase in impairment loss recognized on contract assets and facilities/infrastructure costs.

Depreciation and amortization

Our depreciation and amortization charge was ₹ 742.58 million and ₹ 806.62 million for the financial year ended March 31, 2024 and March 31, 2023 respectively. Depreciation and amortization charge comprises of depreciation on Property, plant and equipment and on Right-of-use assets.

Operating Margin

Operating profit for the financial year ended March 31, 2024 was ₹ 26,801.43 million as against ₹ 23,780.61 million during the financial year ended March 31, 2023.

Income taxes

Our provision for income taxes in the financial year ended March 31, 2024 was ₹ 8,029.73 million as against ₹ 7,637.63 million in the financial year ended March 31, 2023. Our effective tax rate was 27% and 30% in the financial year 2024 and 2023, respectively. Income taxes also include foreign taxes representing income taxes payable overseas in various countries.

Profit for the year

As a result of the foregoing factors, net profit increased by 23% to ₹ 22,193.62 million in the financial year ended March 31, 2024 from ₹ 18,061.41 million in the financial year ended March 31, 2023.

Analysis of our unconsolidated results

The following discussion is based on our audited unconsolidated financial statements which have been prepared in accordance with Ind AS, as prescribed under Section 133 of the Act read with relevant rules of the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

You should read the following discussion of our financial position and results of operations together with the detailed unconsolidated Ind AS financial statements and the notes which form an integral part of such financial statements. Our financial year ends on March 31 of each year.

Performance summary

	(Amounts in ₹ million)		
Year ended March 31, 2024	Products	Services	Total
Revenue from operations	43,974.31	3,870.65	47,844.96
Operating expenses	(20,066.81)	(2,139.18)	(22,205.99)
Unallocable expenses			(1,673.55)
Income from operations	23,907.50	1,731.47	23,965.42
Operating margin	54%	45%	50%
Profit for the year			20,279.19
Profit margin			42%

	(Amounts in ₹ million)		
Year ended March 31, 2023	Products	Services	Total
Revenue from operations	38,840.10	3,715.71	42,555.81
Operating expenses	(18,018.64)	(2,088.06)	(20,106.70)
Unallocable expenses			(1,543.50)
Income from operations	20,821.46	1,627.65	20,905.61
Operating margin	54%	44%	49%
Profit for the year			17,725.08
Profit margin			42%

Our total revenues in the financial year ended March 31, 2024 were ₹ 47,844.96 million, an increase of 12% over our total revenues of ₹ 42,555.81 million in financial year ended March 31, 2023. The increase in revenues was contributed by the growth in our products and services business segments.

Income from operations in the financial year ended March 31, 2024 was ₹ 23,965.42 million, representing an increase of 15% from ₹ 20,905.61 million in the financial year ended March 31, 2023. The profit for the year in the financial year ended March 31, 2024 was ₹ 20,279.19 million, representing an increase of 14% from ₹ 17,725.08 million in the financial year ended March 31, 2023.

Revenues from operations

Products revenues

Our products revenues represented 92% and 91% of our total revenues for the financial year ended March 31, 2024 and March 31, 2023 respectively. During the financial year ended on March 31, 2024, our products revenues were ₹ 43,974.31 million, an increase of 13% from ₹ 38,840.10 million in the financial year ended March 31, 2023.

The percentages of our products revenues from different streams were as follows for:

	Year ended March 31, 2024	Year ended March 31, 2023
License fees	15%	15%
Consulting fees	49%	49%
Maintenance fees	36%	36%
Total	100%	100%

Services revenues

Our services revenues represented 8% and 9% of our total revenues for the financial year ended March 31, 2024 and March 31, 2023 respectively. Our services revenues were ₹ 3,870.65 million in the financial year ended March 31, 2024, an increase of 4% from ₹ 3,715.71 million in the financial year ended March 31, 2023.

The percentage of total services revenues from time and material contracts was 20% in the financial year ended March 31, 2024 and 41% in financial year ended March 31, 2023, with the remainder of our services revenues attributable to fixed price contracts.

Finance income and other income, net

Our finance and other income primarily comprise of interest on bank deposits and foreign exchange gain / loss. Our finance and other income in the financial year ended March 31, 2024 was ₹ 2,396.16 million, as compared to ₹ 2,526.37 million in the financial year ended March 31, 2023.

Expenses

Operating expenses

Our operating expenses consist of costs attributable to compensation of employees, project related travel expenses, professional fees paid to vendors, application software for internal use, selling and marketing expenses, research and development expenses, finance cost on lease liability, bad debts, impairment loss on contract assets, contribution towards Corporate Social Responsibility and overhead expenses associated with support functions such as human resources, finance, facilities and infrastructure, along with depreciation and amortization. We recognize these expenses as incurred.

Employee costs

Our employee compensation costs increased by 8% to ₹ 19,178.83 million in the financial year ended March 31, 2024 from ₹ 17,719.22 million in the financial year ended March 31, 2023. Employee costs relate to salaries and bonuses paid to employees, retiral benefits, stock compensation charge along with staff welfare activities for employees. Increase in employee costs was primarily on account of compensation increase during the current financial year.

Travel related expenses

Our travel related expenditure increased by 72% to ₹ 680.07 million in the financial year ended March 31, 2024 from ₹ 396.07 million in the financial year ended March 31, 2023. Travel costs relate to airfare, accommodation, and other related expenses incurred on travel of our employees on projects, sales and marketing, etc. Increase in travel related expenses was primarily on account of increased in project related travel.

Professional fees

Our professional fees related expenditure marginally decreased by 4% to ₹ 1,529.69 million in the financial year ended March 31, 2024 from ₹ 1,590.12 million in the financial year ended March 31, 2023.

Finance Cost

Our finance cost pertains to interest on lease liability which decreased by 34% to ₹ 21.11 million in the financial year ended March 31, 2024 from ₹ 32.12 million in the financial year ended March 31, 2023.

Other expenses

Our other expenditure increased by 41% to ₹ 1,872.22 million in the financial year ended March 31, 2024 from ₹ 1,328.82 million in the financial year ended March 31, 2023. Other expenses primarily consist of Corporate Social Responsibility expenditure (CSR), bad debts and Impairment loss on contract assets, facilities/infrastructure costs, application software fees, communication expenses, auditors' remuneration and other miscellaneous expenses. Increase in other expenses was primarily on account of increase in facilities costs, increase in CSR spend due to increase in average profits for the last 3 years and increase in impairment loss recognized on contract assets.

Depreciation and amortization

Our depreciation and amortization charge was ₹ 597.62 million and ₹ 583.85 million for the financial year ended March 31, 2024 and March 31, 2023 respectively. Depreciation and amortization charge comprises of depreciation on Property, plant and equipment and on Right-of-use assets.

Operating margin

Operating profit for the financial year ended March 31, 2024 was ₹ 23,965.42 million as against ₹ 20,905.61 million during the financial year ended March 31, 2023.

Income taxes

Our provision for income taxes in the financial year ended March 31, 2024 was ₹ 6,082.39 million as against ₹ 5,706.90 million in the financial year ended March 31, 2023. Our effective tax rate was 23% and 24% in the financial year 2024 and 2023, respectively. Income taxes also include foreign taxes representing income taxes payable overseas by the Company in various countries.

Profit for the year

As a result of the foregoing factors, net profit for the financial year ended March 31, 2024 was ₹ 20,279.19 million as against ₹ 17,725.08 million during the year ended March 31, 2023, representing an increase of 14%.

Other metrics

Key financial ratios

The following table summarizes the key financial ratios for the financial years ended March 31, 2024 and March 31, 2023.

	Consolidated		Unconsolidated	
	2024	2023	2024	2023
Financial Performance				
Net profit ratio	35%	32%	42%	42%
Financial Position				
Current ratio	6.0 times	6.6 times	9.4 times	10.1 times
Net capital turnover ratio	1.0 times	0.9 times	1.1 times	1.1 times
Trade receivables turnover ratio	5.3 times	5.7 times	6.6 times	7.2 times
Trade payables turnover ratio	9.0 times ¹	13.1 times	8.7 times	10.3 times
Debt service coverage ratio	71.3 times	60.2 times	117.9 times	108.9 times
Debt equity ratio (Lease liabilities on total equity)	0.01 times	0.01 times	0 times ²	0.01 times
Return on equity	29%	25%	33%	30%
Return on capital employed	41%	36%	42%	39%
Return on investment	N.A.	N.A.	0% ³	12%
Days Sales Outstanding	69 days	62 days	60 days	52 days

¹ Trade payables turnover ratio has reduced on account of high value invoices received at year end.

² Debt equity ratio has reduced on account of payment of lease liabilities.

³ During the year ended March 31, 2023 the Company has received dividend from its wholly owned subsidiary companies.

Trade receivables

As per the Consolidated financials, trade receivables as of March 31, 2024 and 2023 were ₹ 13,193.07 million and ₹ 10,833.73 million respectively. As per the unconsolidated financials trade receivables as of March 31, 2024 and 2023 were ₹ 8,198.41 million and ₹ 6,309.19 million respectively.

We periodically review the trade receivables outstanding as well as the ageing, quality of the trade receivables, customer relationship and the history of the client.

Geographic breakup of revenues

The following table represents the percentage breakup of our consolidated and unconsolidated revenues for our products and services businesses by region:

	Year ended March 31, 2024			Year ended March 31, 2023		
	Products Revenues	Services Revenues	Total Revenues	Products Revenues	Services Revenues	Total Revenues
Consolidated						
Americas (NAMER)	33%	67%	36%	33%	68%	37%
Europe, Middle East, Africa (EMEA)	34%	22%	33%	34%	20%	33%
Asia Pacific (JAPAC)	33%	11%	31%	33%	12%	30%
Total	100%	100%	100%	100%	100%	100%
Unconsolidated						
Americas (NAMER)	28%	62%	31%	28%	64%	31%
Europe, Middle East, Africa (EMEA)	38%	27%	37%	39%	24%	37%
Asia Pacific (JAPAC)	34%	11%	32%	33%	12%	32%
Total	100%	100%	100%	100%	100%	100%

Customer concentration

The percentages of total revenues during financial year ended March 31, 2024 and 2023 that we derived from our largest customer, largest five customers and largest ten customers on consolidated and unconsolidated basis are provided in the table below. The Company contracts end customers in several countries through the local subsidiary of Oracle Corporation and entities under common control are considered as a single customer for the purpose of reporting customer concentration.

	Products Revenues		Services Revenues		Total Revenues	
	2024	2023	2024	2023	2024	2023
Consolidated						
Largest customer	53%	52%	26%	32%	49%	48%
Top 5 customers	68%	68%	74%	73%	66%	66%
Top 10 customers	73%	73%	93%	92%	71%	71%
Unconsolidated						
Largest customer	84%	85%	98%	98%	85%	86%
Top 5 customers	92%	93%	100%	100%	93%	94%
Top 10 customers	95%	96%	100%	100%	95%	96%

Internal control systems and their adequacy

Oracle Financial Services Software group has in place adequate systems for internal control commensurate with the size of the business operations. These systems and processes cover all the financial and operating functions and are designed to provide reasonable assurance with regard to maintaining adequate controls, monitoring economy and efficiency of operations, protecting assets from unauthorized use or losses, and ensuring reliability of financial and operational information. The Group continuously strives to align all its processes and controls with global best practices.

Opportunities and threats

We have a strong portfolio of product solutions and services which are robust, proven, and scalable to meet the needs of a very diverse range of Financial Institutions. Our ability to engage with a prospect and deliver the complete range of solutions is unique. With thrust on the R&D spend, your Company is able to rapidly adopt innovations in technology like Artificial Intelligence, Cloud Computing paradigms around security and scale, and architectural constructs like microservices, containerization, and domain driven design.

The industry dynamics which are likely to influence our business include:

- A regulatory environment in which governments, central banks and nodal agencies are working through the regulations which govern Artificial Intelligence, Data residency and cloud computing.
- Increasing threat of financial crime and associated consumer protection paradigms which are evolving as consumers continue to desire latest technologies, devices and newer consumption models.
- The impetuous to nurture an ecosystem of startups implies that newer players will emerge wanting to differentiate themselves with new ideas which incumbent financial institutions will need to grapple with.
These combined with the larger business environment factors continue to be evolving in the business.
- Geopolitical environment is shifting consumer sentiment and global trade which ties back to our customer needing to adjust their business model to address these shifts.

- Countries around the world continue to evolve their mobility regulations in the domestic labor market.
- Environmental, social and governance (ESG) frameworks seek to modify business activities to reduce impact on climate change.

Your Company continues to track these and other local / regional factors and evolve solutions and business strategies to address them.

Liquidity and capital resources

Our capital requirement relates primarily to financing the growth of our business. We have historically sourced majority of our working capital, capital expenditure and other requirements through our operating cash flow. During the financial year ended March 31, 2024 and March 31, 2023, we generated cash from operations of ₹ 17,906.69 million and ₹ 17,584.15 million respectively as per the consolidated financials and ₹ 16,436.34 million and ₹ 15,057.43 million respectively as per the unconsolidated financials.

We are a zero-debt company. We expect that our primary financing requirements in the future will be capital expenditure and working capital requirements in connection with the expansion of our business. We believe that the cash generated from operations will be sufficient to satisfy our currently foreseeable capital expenditure and working capital requirements.

Human capital

We are a global organization with multi-country teams having diverse backgrounds. Our strong culture and processes ensure seamless collaboration across geographies.

As at March 31, 2024, the Company had 7,890 employees (March 31, 2023 - 7,680) and the OFSS Group had 8,754 employees (March 31, 2023 - 8,593).

Talent acquisition and retention

We recruit graduates and post-graduates from top engineering and business schools. We also hire domain experts from the banking industry creating a right mix of employees with functional and technology expertise.

We enable our employees to uphold company's goals by fostering a positive and engaging work environment. Our employees are our future, and we help them identify and respond to the changing nature of our business landscape. Our innovation and competitive advantage depend on the talents, skills, and backgrounds of our employees, which are our biggest asset. We continue to hire the right talent and retain the best and be the employer of choice. Investments in employee capability building in varied areas that support the business is of priority to us. Our focus remains on building a highly inclusive, cohesive, and collaborative work culture along with systems that promote and enable the best of talent management practices giving an enriching career experience to our employees.

We encourage employees on creating patents which are unique to our domain as also to write technical papers in reputed journals.

Employee experience and well-being

We have a comprehensive Employee Assistance Program for helping employees cope with the various life stages and changes with resilience and acceptance as a person.

Employee safety, health and over all wellness is of paramount importance to our Company and is committed to providing a safe and respectful work environment. Some of our employee wellness policies highly beneficial to our employees and help us create enhanced employee experience.

Performance management and career development

We have a robust performance management system that helps our employees self-reflect on their journey with us. It provides opportunity to indulge in a performance and career related conversations with their managers that help reach their career goals, explore opportunities for their growth and help build knowledge and grow their skills for today and the future.

We have a plethora of learning resources available for our employees to enhance their skills and capability in technology / functional domains and soft skills. Our learning platform is state of the art, provides anytime, everywhere access to business, leadership, and technical classes, videos, books, articles, reports, learning paths, and other learning resources. Our learning platform caters to varied learning styles of employees. We have also enabled access to highly specialized training courses offered by top universities around the world. Employees completing these programs get a formal certification from respective universities.

Rewards and recognition

Our reward mechanism is geared towards recognizing employee achievements. We have several recognition programs which encourage individual employees, teams as well as groups. Our flagship “Pacesetter Awards program” recognizes individual who exemplify our organizational values such as:

- Customer Satisfaction
- Excellence
- Leadership
- Integrity
- Creativity & Innovation
- Employee Engagement & Performance

Risks and concerns

The Company has a robust plan for managing the risks faced in its global operations. The Risk Management Committee reviews the risks, possible impact and the mitigation plan. Listed below are some of the major risks, their impact and the mitigation plan.

Risks	Mitigation Plan
<p>Human Resources</p> <p>People are the most important asset of the Company. Industry dynamics and demand for experienced employees increases attrition and creates shortage of critical skills and constrain delivery, quality and commitments besides leading to cost of replacement.</p>	<p>The Company effectively manages the risk adopting a responsive compensation/reward mechanism to retain and develop the talent. The Company endeavors to give employees a healthy, professionally enriching work environment. The Company has invested in a variety of tools to engage employees remotely and established a reliable logistical and support infrastructure to facilitate work from home, including a seamless day-one experience for employees working remotely. The Company also conducts annual ‘Your Voice Survey’ that helps identifying areas for improvement in creating better employee experience.</p> <p>All of these measures together with an accelerated hiring process and softening up of market demand has helped improve retention of key talent.</p>
<p>Change in Buyer Behavior</p> <p>Changes in the buyer behavior and market demands cause disruptions and can impact the Company. While Cloud-based deployment is attracting increased acceptability with customers, there is also an increased interest in exploring how AI / ML technology could be deployed. This impacts the scale and speed of decision making. Such disruptive changes impact the industry dynamics, could provide room for emergence of new competition.</p>	<p>Assessment of customer behavior changes is intrinsic to the business of the Company and the Company keeps a close watch on market preferences, industry trends and competitive offerings to appropriately tailor its business strategy. Company responds to the changes with upgradation of its product platform through focused R&D, transformation of customer sales and engagement processes.</p>
<p>Competition</p> <p>The Company faces competition from traditional as well as new age vendors across the globe. In the current economic scenario of rapidly changing buyer preferences, appropriate and timely investments (inclusive of inorganic acquisitions in niche areas) are important to remain competitive. Acquisitions that offer a right fit may be expensive and not value accretive.</p>	<p>The Company has a comprehensive suite of IT product offerings encompassing retail & corporate banking, and a strong portfolio of enterprise risk and compliance solutions based on business analytics. The Company invests in upgrading its suites of products on a continual basis to address changing and growing functional and technological needs of the market.</p> <p>The Company’s solutions can be deployed in on-premises & SAAS mode and incorporate new technologies such as Artificial Intelligence and Machine Learning (AI/ML) which enable the users to provide a differentiated cloud ready solution to its customers. The Company is strongly positioned globally to offer competitive offerings catering to the digital enablement of its customer’s businesses.</p> <p>The Company endeavors to stay abreast of the competition through investments backed by active market studies and intelligence.</p>

Risks	Mitigation Plan
<p>Legal & Tax Claims</p> <p>Legal risk is the risk of loss to the Company primarily caused by claims being made, or other events occurring, which result in liabilities for the Company. Based on the geographical presence across the continents, and the nature of its business, the Company is exposed to complex laws in various jurisdictions. Litigation claims can arise from commercial disputes, disputes on intellectual property, tax claims, employment matters, etc. Also, world-over the governments are increasingly becoming aggressive in demanding a higher share of income of the MNCs to be subjected to tax in their country. Many nations are trying to introduce a Global Minimum Tax framework to streamline this area.</p>	<p>The Company has a strong process of review of customer commitments and contracts before they are signed. The Company relies on the expertise of its parent, in ensuring compliances in various jurisdictions. The Company has a conservative and strong tax compliance program globally and pays appropriate taxes and files accurate tax returns regularly. The Company provides required information in tax assessments and takes all possible measures against aggressive tax demands by the authorities. The Company reviews the inter-company arrangements periodically and make appropriate changes to the operating model to stay compliant with the changing cross border tax regulations.</p> <p>The Company regularly trains its employees on applicable laws and has a strong whistle blower mechanism for reporting any non-compliances.</p> <p>The Company has appropriate insurance policies such as Directors and Officers (D&O) policy to cover liabilities of the Company's directors and managers and to protect them from potential claims which might arise from the decisions and actions taken within the scope of their regular duties.</p>
<p>Cyber Risk</p> <p>Cyber security risk means any risk of loss, disruption or damage to the Company from threats or vulnerabilities in networks, computers, programs and data, flowing from or enabled by connection to digital infrastructure or information systems.</p> <p>Data is critical and potentially vulnerable asset of the Company. With digitization of most of the processes and internal records, impact of a cyberattack is increasing world over. With Corporate solutions moving to cloud, remote working, increased focus on cyber security is needed.</p>	<p>Defense in cybersecurity calls for a range of near real-time, interactive services from the Company's IT infrastructure. Our IT Systems continue to evolve, and the Company is often an early adopter of new technologies. These generally include compute, encryption, tiered storage, analytics, identity and access management, data protection, usage of VPN, event log management, notification, data management, and security policy enforcement services etc.</p> <p>The Company continually invests in the latest tools and technologies to stay ahead of the emerging threats and secure the data and operations of the Company against any threats.</p>
<p>Infringement of Intellectual Property</p> <p>The Company's primary business is IT Products and protecting Intellectual Property (IP) rights is crucial to the Company. Any misappropriation of its IP assets could harm the Company's competitive position. Similarly, it is crucial to ensure that the Company's products do not infringe on any third-party intellectual property.</p>	<p>To protect its proprietary intellectual property rights, the Company relies on a combination of on-going copyright registrations, license agreements, confidentiality agreements with employees, nondisclosure and other contractual confidentiality obligations imposed on its customers and vendors with whom it has entered into marketing, distribution, implementation and/or support services agreements and third parties from whom the Company procures goods / avails services.</p> <p>The Company has a highly secured IT environment that prevents unauthorized access to, and reproduction of, the source code and other IP assets. Further the Company subjects all IT products to a mandatory validation against any unauthorized usage of third-party IP.</p>
<p>Regulatory Compliance</p> <p>The Company is a listed entity in India and has business presence across various countries. It deputs employees on-site for various project requirements.</p> <p>The Company complies with all the local laws and regulations where it operates. Ever changing laws and increasing exposure under various statutes, local labor, tax and mobility requirements, immigration laws, cross border FX movement compliances, etc. are some of the regulations which add complexity.</p>	<p>Strict adherence to the law of land is a key principle that the Company follows and always takes a conservative view when interpretations of regulations are unclear.</p> <p>Regular monitoring of the local applicable statutes, and advisory support from the industry professionals are some of the measures that the Company undertakes to ensure that it remains compliant in all jurisdictions. It also relies on expertise of the parent in managing the compliances (legal, tax, mobility, etc.) across various countries.</p>

Risks	Mitigation Plan
<p>Customer Contract delivery</p> <p>Company faces customer contract delivery risk on account of the probability of loss arising from failure in contract performance which may lead to, cost overruns to remedy alleged non-performance, non-payment of dues, loss of future business or potential legal claim.</p>	<p>Contractual risk management is a means of identifying the risks involved in meeting the contractual obligations and ensuring that the Company is adequately protected from legal, financial and reputation risks.</p> <p>The Company enforces standard contracts to protect the revenue recognition and legal risks, and any deviations to the standard clauses require approval of the business, global risk management team and legal. The Company also regularly monitors the health of the project to early detect any deviations and engages into an early dialogue with the customers.</p> <p>The Company maintains professional liability (E&O) insurance policy to hedge against any claims made by the clients for compensation against contract delivery deficiencies.</p>
<p>Foreign Exchange Rate Volatility</p> <p>A substantial portion of the Company's revenue is generated in foreign currencies, while majority of the Company's expenses are incurred in Indian Rupees. Exchange rate volatility can Company's results.</p>	<p>The Company hedges the trade receivables in major currencies with the objective to minimize the volatility in realized exchange gain or loss (i.e., difference in the currency conversion based on the rate when invoice is booked and when it gets collected).</p>
<p>Operational Risk</p> <p>Amongst various operational risks, fraud is one of the prominent risks that the businesses are exposed to Conflict of interest, malafide transactions, etc. are some other examples. Frauds impact the reputation of the Company and could cause loss to the Company.</p> <p>Companies also face operational risks such as errors and omissions in operations, which require strong controls and operating oversight.</p>	<p>Mandatory compliance training programs for employees coupled with strong process control environments of the Company are some of the remedies used to curb the fraudulent transactions. A 360-degree review assisted by data analytics of all the processes which have financial implications is conducted to reduce the risks of fraud.</p> <p>The Company has a highly sophisticated IT system coupled with processes that drive the controls and helps minimize any operational errors.</p>
<p>Geographical Spread</p> <p>The Company's customer base is spread over 150 countries. It is therefore imperative to manage a multi-cultural workforce and deal with business dynamics across these countries.</p> <p>Exposure to local conditions including maintenance of work environment and adhering to local laws, are the key factors which may impact the performance of the Company in each of such jurisdictions.</p>	<p>The Company's geographic spread offers it a natural hedge against economic slowdown affecting a region.</p> <p>The Company, through its local offices along with expert support of global advisors, aims to ensure compliance with the laws of the land.</p>
<p>Uncertainties due to Pandemic</p> <p>While vaccination of majority of the population and easing restrictions have brought to normalcy of business operations, further waves of variants of the virus or a new virus could impact the economies and operations of the Company.</p>	<p>The Company has robust IT and data security infrastructure and business continuity processes to help the Company to effectively respond to a new pandemic. The Company continually monitors the situation and calibrates its responses in the best interest of its customers and health and safety of its employees. The experience over the last few years of pandemic fully demonstrates the strength of the Company's processes to manage such risks.</p>

Risks	Mitigation Plan
<p data-bbox="151 145 534 174">Economic and Political Environment</p> <p data-bbox="151 181 718 383">The Company faces local economic and political challenges in the jurisdictions it operates in. These include changes in the political environment, war situation, inflation, GDP growth, and major changes in economic policies & taxation, mobility constraints, exposure to activism, etc. These can impact business growth and are considered as risks for the Company.</p> <p data-bbox="151 405 718 488">The Company also faces increasing challenges in staff deployment across countries due to mobility restrictions in various countries.</p> <p data-bbox="151 510 718 600">The Company's global operations are also impacted by manmade and natural calamities (e.g., war, epidemics & pandemics, earthquakes, floods, etc.).</p>	<p data-bbox="742 181 1500 353">The Company's global operations are also impacted by manmade and natural calamities (e.g., war, epidemics & pandemics, earthquakes, floods, etc.).The Company aims to proactively avoid situations with overt political risk. The Company, through its parent resources, carefully assesses the local situation to minimize impact of such risks on its assets, safety of its personnel, and business.</p> <p data-bbox="742 376 1500 459">The Company has a global team which focusses on monitoring the mobility regulations in various countries and attempts to mitigate the requirements through a local hire where feasible.</p> <p data-bbox="742 481 1500 689">The Company also reviews the specific SOS situation in a country / region in which it has business activities and takes appropriate actions to safeguard the interest of its employees. The Company has engaged global organizations that specialize in providing SOS assistance to its personnel globally. The Company also proactively tracks situation of any calamities and various Government & WHO advisories and take appropriate actions for its employees who could potentially be impacted.</p>

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Consolidated financials

Financial statements for the year ended March 31, 2024 prepared in accordance with Ind AS (Consolidated).

Independent Auditor's Report

To the Members of Oracle Financial Services Software Limited

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Oracle Financial Services Software Limited (hereinafter referred to as "the Holding Company"), its subsidiaries and controlled trust (the Holding Company, its subsidiaries and controlled trust together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31, 2024, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and controlled trust, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2024, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the 'Auditor's responsibilities for the audit of the Consolidated Financial Statements' section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
Revenue recognition	
<p>The Group's revenue streams consist of license fees, maintenance fees and consulting fees - fixed price and time & material contracts.</p> <p>Revenue from contracts with customers is recognized by the Group in accordance with the requirements of Ind AS 115, Revenue from Contracts with Customers ("Ind AS 115") (as described in note 2.3(d) of the financial statements).</p> <p>The application of Ind AS 115 and the OFSS Group Accounting Policy involves certain key judgements relating to identification of distinct performance obligations, determination of the transaction price, allocation of transaction price to the identified performance obligations specially to license fees, the appropriateness of the basis used to measure revenue recognised over time or at a point in time, including relevant cut-off at period end dates.</p>	<p>Our audit procedures included and were not limited to the following:</p> <ul style="list-style-type: none">a) We evaluated whether the revenue recognition of the Group is in accordance with the accounting policies and principles as per Ind AS 115.b) We obtained an understanding of management's internal controls over the revenue process and evaluated whether these were designed in line with the Ind AS 115. We tested relevant internal controls, including information technology (IT) controls, over revenue process including the following:<ul style="list-style-type: none">i. Read and identified the distinct performance obligations in these contracts and compared these performance obligations with those identified and recorded by the Group.

Key audit matters	How our audit addressed the key audit matter
Revenue recognition	
<p>Accordingly, we identified revenue recognition as a key audit matter.</p> <p>Refer note 2.3(d), 17, 25, and 26(vii) of the consolidated Ind AS financial statements.</p>	<ul style="list-style-type: none"> ii. Read the terms of the contracts and checked determination of the transaction price including any variable consideration. Also, checked management's evaluation of the stand-alone selling price for each performance obligation. iii. Tested the basis used by the management to measure revenue recognised over time or at a point in time as per the requirements of Ind AS 115 and the OFSS Group Accounting Policies. c) We also performed substantive procedures on a sample of revenue contracts entered into by Group, selected on a test check basis as deemed appropriate. d) We performed cut-off testing procedures (by selecting a sample of contracts either side of year-end) to test that revenue has been recognised in the appropriate accounting period.
Evaluation of income tax provision	
<p>The Group has operations in multiple tax jurisdictions and are therefore subject to different tax regimes and rules and regulations. Management is required to ensure compliance with tax laws applicable in each jurisdiction every year and appropriately determine the tax expense and deferred tax balances. Further, management is also required to evaluate the transfer pricing mechanism as per applicable tax laws in different jurisdictions every year and its consequential impact on adequacy of provision for income tax and deferred tax of the Group.</p> <p>Additionally, the Group has uncertain income tax positions which includes matters under dispute involving significant judgment to determine the possible outcome of these disputes. The Group has during the year ended March 31, 2024, reviewed the uncertain tax positions in respect of all matters and wherever considered appropriate recognised income tax provisions relating to uncertain income tax treatments and the related interest expense thereon.</p> <p>Accordingly, we identified income tax provision as a key audit matter.</p> <p>Refer note 2.3(e), 16, 26(iv) and 38 of the consolidated Ind AS financial statements.</p>	<p>Our audit procedures included and were not limited to the following:</p> <ul style="list-style-type: none"> a) We evaluated the design and tested the operating effectiveness of the relevant controls, through combination of procedures involving inquiry and observation, reperformance and inspection of evidence in respect of operation of these controls to assess how the Group monitors income tax and related developments and their assessment of the potential impact on the Group. b) We tested current income tax and deferred tax computation provided by the management and checked the arithmetical accuracy of the amounts reported for current and deferred tax. We read assessment orders from tax authorities, tax returns wherever appropriate to assess impact on provision for income tax, if any. c) For uncertain tax positions, we obtained details of income tax assessments, appeal orders and income tax demands from management. <p>We evaluated the management's underlying assumptions of the validity and adequacy of provisions for uncertain income tax positions and evaluated the basis of determination of the possible outcome of the disputes. Also considered legal precedence and other rulings and read, where applicable, external advice sought by the Company for these uncertain income tax positions and reviewed related correspondence in evaluating management's position on these uncertain income tax matters.</p> <ul style="list-style-type: none"> d) For key tax jurisdictions, we engaged our tax specialists to assess: <ul style="list-style-type: none"> i. the current income tax and deferred tax computation provided by the management. ii. the transfer pricing mechanism including the basis of recording provisions for uncertain income tax treatment and interest thereon, as per applicable tax laws. <p>We obtained and assessed effective tax rate reconciliation to evaluate the Group's total income tax expense for the year.</p>

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance and determine the actions under applicable laws and regulations.

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company and its subsidiary companies which are incorporated in India, has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

- (a) We did not audit the financial statements and other financial information, in respect of 2 subsidiaries and 1 controlled trust, whose financial statements include total assets of ₹ 975.68 million as at March 31, 2024, and total revenues ₹ Nil and net cash outflow of ₹ 101.25 million for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and controlled trust, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and controlled trust, is based solely on the reports of such other auditors.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxii) of the Order.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

- (g) In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Holding Company and its subsidiaries, incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:
- i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated financial statements – Refer Note 38 to the consolidated financial statements;
 - ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2024;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries, incorporated in India during the year ended March 31, 2024.
 - iv.
 - a) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries that, to the best of its knowledge and belief, no funds have been received by the respective Holding Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
 - v) The interim dividend declared and paid by the Holding Company and subsidiary company incorporated in India during the year is in accordance with section 123 of the Act.
 - vi) Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, the Holding Company and subsidiaries have used accounting software for maintaining their books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we and the respective auditors of the above referred subsidiaries did not come across any instance of audit trail feature being tampered with.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Govind Ahuja

Partner

Membership Number: 048966

UDIN: 24048966BKFQRE3358

Place of Signature: Mumbai

Date: April 24, 2024

Annexure 1 referred to in clause 1 of paragraph on the Report on ‘Other Legal and Regulatory Requirements’ of our report of even date on the Consolidated Financial Statements

Re: Oracle Financial Services Software Limited (the “Holding Company”)

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- There are no qualifications or adverse remarks in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Govind Ahuja

Partner

Membership Number: 048966

UDIN: 24048966BKFQRE3358

Place of Signature: Mumbai

Date: April 24, 2024

Annexure 2 to the Independent Auditor's Report of even date on the consolidated financial statements of Oracle Financial Services Software Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of Oracle Financial Services Software Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to these 2 subsidiaries, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries incorporated in India.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Govind Ahuja

Partner

Membership Number: 048966

UDIN: 24048966BKFQRE3358

Place of Signature: Mumbai

Date: April 24, 2024

Consolidated balance sheet as at March 31, 2024

(Amounts in ₹ million)

	Notes	March 31, 2024	March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	1,484.06	1,658.85
Capital work-in-progress	3	27.58	5.69
Right-of-use assets	4	377.98	620.64
Investment property	5	102.00	102.00
Goodwill	6	6,086.63	6,086.63
Financial assets	7	639.35	633.98
Deferred tax assets (net)	16	1,863.13	1,567.74
Income tax assets (net)		10,904.75	9,071.65
Other non-current assets	10	1,358.10	1,319.43
		22,843.58	21,066.61
Current assets			
Financial assets			
Trade receivables	8	13,193.07	10,833.73
Cash and cash equivalents	9 (a)	34,832.58	20,400.79
Other bank balances	9 (b)	20,549.30	34,296.57
Other financial assets	7	4,322.88	3,078.82
Income tax assets (net)		279.65	538.86
Other current assets	10	3,336.35	2,540.02
		76,513.83	71,688.79
TOTAL		99,357.41	92,755.40
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	11	433.36	431.99
Other Equity	12	78,155.05	74,157.08
Total equity		78,588.41	74,589.07
Non-current liabilities			
Financial liabilities			
Lease liabilities	28	184.86	386.62
Other financial liabilities	13	20.85	18.48
Other non-current liabilities	14	189.03	81.68
Provisions	15	1,853.49	1,626.18
Deferred tax liability (net)	16	2,384.50	2,163.10
Income tax liabilities (net)		3,338.50	2,948.95
		7,971.23	7,225.01
Current liabilities			
Financial liabilities			
Lease liabilities	28	244.75	307.40
Trade payables			
Payable to micro and small enterprises	13	5.27	26.72
Payable to other than micro and small enterprises	13	1,015.04	354.42
Other financial liabilities	13	2,478.50	2,234.10
Other current liabilities	14	6,397.02	6,244.85
Provisions	15	1,758.46	1,655.17
Income tax liabilities (net)		898.73	118.66
		12,797.77	10,941.32
TOTAL		99,357.41	92,755.40
Summary of material accounting policies	2		
The accompanying notes form an integral part of the consolidated financial statements.			

As per our report of even date

For and on behalf of the Board of Directors of
Oracle Financial Services Software Limited

For S. R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration No. 101049W / E300004

Sridhar Srinivasan

Chairperson

DIN: 07240718

Makarand Padalkar

Managing Director

& Chief Executive Officer
DIN: 02115514

Mrugank Paranjape

Director

DIN: 02162026

per Govind Ahuja

Partner

Membership No. 048966

Avadhut Ketkar

Chief Financial Officer

Onkarnath Banerjee

Company Secretary
& Compliance Officer
ACS: 8547

Mumbai, India

April 24, 2024

Mumbai, India

April 24, 2024

Consolidated statement of profit and loss for the year ended March 31, 2024

(Amounts in ₹ million, except share data)

	Notes	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from operations	17	63,729.61	56,983.09
Finance income	18	3,316.71	1,672.84
Other income, net	19	105.21	245.59
Total income		67,151.53	58,901.52
Expenses			
Employee benefit expenses	20	29,828.25	27,741.72
Travel related expenses		1,228.14	923.58
Professional fees		2,624.88	2,089.39
Finance cost	21	281.09	126.55
Other operating expenses	22	2,223.24	1,514.62
Depreciation and amortization	3 & 4	742.58	806.62
Total expenses		36,928.18	33,202.48
Profit before tax		30,223.35	25,699.04
Tax expenses	16		
Current tax		8,143.33	7,386.77
Deferred tax		(113.60)	250.86
Total tax expenses		8,029.73	7,637.63
Profit for the year		22,193.62	18,061.41
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Remeasurement gains of defined benefit plan		84.12	23.06
Income tax effect	16	(21.23)	(5.85)
<i>Items that will be reclassified subsequently to profit and loss</i>			
Exchange differences on translation of financial statements of foreign operations		44.85	1,086.99
Total other comprehensive income for the year, net of tax		107.74	1,104.20
Total comprehensive income for the year		22,301.36	19,165.61
Profit attributable to:			
Equity holders of the Company		22,193.62	18,061.41
Non-controlling interests		—	—
		22,193.62	18,061.41
Total comprehensive income attributable to:			
Equity holders of the Company		22,301.36	19,165.61
Non-controlling interests		—	—
		22,301.36	19,165.61
Earnings per equity share of par value of ₹ 5 each (March 31, 2023 - ₹ 5) (in ₹)	24		
Basic		256.39	209.14
Diluted		254.76	208.25
Summary of material accounting policies	2		

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date

For and on behalf of the Board of Directors of
Oracle Financial Services Software Limited

For S. R. Batliboi & Associates LLP

Chartered Accountants
ICAI Firm Registration No. 101049W / E300004

Sridhar Srinivasan

Chairperson
DIN: 07240718

Makarand Padalkar

Managing Director
& Chief Executive Officer
DIN: 02115514

Mrugank Paranjape

Director
DIN: 02162026

per Govind Ahuja

Partner
Membership No. 048966

Avadhut Ketkar

Chief Financial Officer

Onkarnath Banerjee

Company Secretary
& Compliance Officer
ACS: 8547

**Mumbai, India
April 24, 2024**

**Mumbai, India
April 24, 2024**

Consolidated statement of changes in equity for the year ended March 31, 2024

Year ended March 31, 2024

(Amounts in ₹ million, except share data)

Particulars	Equity share capital		Share application money pending allotment	Securities premium	General reserve	Reserves and surplus		Other equity			Total equity attributable to equity holders of the Company	
	No. of shares	Share capital				Employee stock options outstanding	Contribution from Ultimate Holding Company	Gain on Treasury shares	Retained earnings	Foreign currency translation reserve		Remeasurement of defined benefit obligation
Balance as of April 1, 2023	86,397,179	431.99	0.01	17,364.61	10,145.19	1,532.58	718.70	607.71	40,462.77	3,325.51	-	74,589.07
<i>Changes in equity for the year ended March 31, 2024</i>												
Application money received for exercised options	-	-	207.39	-	-	-	-	-	-	-	-	207.39
Shares issued for exercised options	274,477	1.37	(204.68)	203.31	-	-	-	-	-	-	-	-
Stock compensation charge	-	-	-	-	-	656.11	294.15	-	-	-	-	950.26
Forfeiture of options	-	-	-	-	-	(55.96)	-	-	55.96	-	-	-
Stock compensation related to options exercised	-	-	-	806.33	-	(806.33)	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	-	-	-	22,193.62	-	-	22,193.62
Interim equity dividend	-	-	-	-	-	-	-	-	(19,459.67)	-	-	(19,459.67)
Remeasurement of defined benefit plan including income tax effect thereon	-	-	-	-	-	-	-	-	-	-	62.89	62.89
Exchange differences on translation of financial statements of foreign operations	-	-	-	-	-	-	-	-	-	44.85	-	44.85
Remeasurement of defined benefit plan including income tax effect thereon transferred to retained earnings	-	-	-	-	-	-	-	-	62.89	-	(62.89)	-
Balance as of March 31, 2024	86,671,656	433.36	2.72	18,374.25	10,145.19	1,326.40	1,012.85	607.71	43,315.57	3,370.36	-	78,588.41

Year ended March 31, 2023

(Amounts in ₹ million, except share data)

Particulars	Equity share capital		Other equity					Total equity attributable to equity holders of the Company					
	No. of shares	Share capital	Share application money pending allotment	Securities premium	General reserve	Reserves and surplus	Contribution from Ultimate Holding Company		Gain on Treasury shares	Retained earnings	Other comprehensive income	Foreign currency translation reserve	Remeasurement of defined benefit obligation
Balance as of April 1, 2022	86,246,465	431.23	-	16,813.94	10,145.19	1,561.36	523.21	607.71	38,675.78	2,238.52	-	-	70,996.94
<i>Changes in equity for the year ended March 31, 2023</i>													
Application money received for exercised options	-	-	79.36	-	-	-	-	-	-	-	-	-	79.36
Shares issued for exercised options	150,714	0.76	(79.35)	78.59	-	-	-	-	-	-	-	-	-
Stock compensation charge	-	-	-	-	-	557.02	195.49	-	-	-	-	-	752.51
Forfeiture of options	-	-	-	-	-	(113.72)	-	-	113.72	-	-	-	-
Stock compensation related to options exercised	-	-	-	472.08	-	(472.08)	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	-	-	-	18,061.41	-	-	-	18,061.41
Interim equity dividend	-	-	-	-	-	-	-	-	(16,405.35)	-	-	-	(16,405.35)
Remeasurement of defined benefit plan including income tax effect thereon	-	-	-	-	-	-	-	-	-	-	-	17.21	17.21
Exchange differences on translation of financial statements of foreign operations	-	-	-	-	-	-	-	-	-	1,086.99	-	-	1,086.99
Remeasurement of defined benefit plan including income tax effect thereon transferred to retained earnings	-	-	-	-	-	-	-	-	17.21	-	-	(17.21)	-
Balance as of March 31, 2023	86,397,179	431.99	0.01	17,364.61	10,145.19	1,532.58	718.70	607.71	40,462.77	3,325.51	-	-	74,589.07
Summary of material accounting policies [Refer note 2]													
The accompanying notes form an integral part of the consolidated financial statements.													

As per our report of even date

For and on behalf of the Board of Directors of Oracle Financial Services Software Limited

For S. R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration No. 101049W/E3000004

per Govind Ahuja

Partner

Membership No. 048966

Sridhar Srinivasan

Chairperson

DIN: 07240718

Mrugank Paranjape

Director

DIN: 02162026

Makarand Padalkar

Managing Director

& Chief Executive Officer
DIN: 02115514

Avadhut Ketkar

Chief Financial Officer

Onkarnath Banerjee

Company Secretary

& Compliance Officer
ACS: 8547

Mumbai, India

April 24, 2024

Mumbai, India

April 24, 2024

Notes annexed to and forming part of consolidated financial statements for the year ended March 31, 2024

Note 1: Corporate information

Oracle Financial Services Software Limited (the "Company") was incorporated in India with limited liability on September 27, 1989. The Company is domiciled in India and has its registered office at Mumbai, Maharashtra, India. The Company is a subsidiary of Oracle Global (Mauritius) Limited holding 72.75% (March 31, 2023 - 72.98%) ownership interest in the Company as at March 31, 2024.

The Company along with its subsidiaries is principally engaged in the business of providing information technology solutions and business processing services to the financial services industry worldwide. The Company has a suite of banking products, which caters to the transaction processing and compliance needs of corporate, retail, investment banking, treasury operations and data warehousing.

The consolidated financial statements for the year ended March 31, 2024 were approved by the Company's Board of Directors for issue on April 24, 2024.

The Company has following subsidiaries and controlled entity (hereinafter collectively referred as the "OFSS group"):

Companies	Country of Incorporation	Holding %	Relationship
Direct holding			
Oracle Financial Services Software B.V.	The Netherlands	100%	Subsidiary
Oracle Financial Services Software Pte. Ltd.	Singapore	100%	Subsidiary
Oracle Financial Services Software America, Inc.	United States of America	100%	Subsidiary
ISP Internet Mauritius Company	Republic of Mauritius	100%	Subsidiary
Oracle (OFSS) Processing Services Limited	India	100%	Subsidiary
Oracle (OFSS) ASP Private Limited	India	100%	Subsidiary
Oracle Financial Services Software Chile Limitada	Chile	100%	Subsidiary
Oracle Financial Services Software (Shanghai) Limited	People's Republic of China	100%	Subsidiary
Mantas India Private Limited	India	100%	Subsidiary
Oracle (OFSS) BPO Services Limited	India	100%	Subsidiary
i-flex Employee Stock Option Trust	India	-	Controlled trust
Subsidiaries of Oracle Financial Services Software America, Inc.			
Oracle Financial Services Software, Inc.	United States of America	100%	Subsidiary
Mantas Inc.	United States of America	100%	Subsidiary
Subsidiary of Mantas Inc.			
Sotas Inc.	United States of America	100%	Subsidiary
Subsidiary of Oracle Financial Services Software B.V.			
Oracle Financial Services Software SA	Greece	100%	Subsidiary
Subsidiary of Oracle Financial Services Software Pte. Ltd.			
Oracle Financial Services Consulting Pte. Ltd.	Singapore	100%	Subsidiary
Subsidiaries of ISP Internet Mauritius Company			
Oracle (OFSS) BPO Services Inc.	United States of America	100%	Subsidiary

Note 2: Material accounting policies

2.1 Basis of preparation

These consolidated financial statements comprising of balance sheet as at March 31, 2024, statement of profit and loss, statement of changes in equity and statement of cash flows for the year then ended have been prepared in accordance with Ind AS as prescribed under Section 133 of the Companies Act, 2013 (the 'Act') read with relevant rules of the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- certain financial assets and liabilities, including derivative instruments, that are measured at fair value
- assets held for sale
- defined benefit plan
- share-based payments

2.2 Basis of consolidation

OFSS consolidates entities which it owns or controls. The consolidated financial statements comprise the financial statements of the company, its subsidiaries and controlled trust as listed out in Note 1. Control is achieved when the OFSS group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the OFSS group controls an investee if and only if the OFSS group has:

- i) Power over investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- ii) Exposure, or rights, to variable returns from its involvement with the investee, and
- iii) The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the OFSS group has less than a majority of the voting or similar rights of an investee, the OFSS group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- a) The contractual arrangement with the other vote holders of the investee
- b) Rights arising from other contractual arrangements
- c) The OFSS group's voting rights and potential voting rights
- d) The size of the OFSS group's holding of voting rights relative to the size and dispersion of the holdings of the other voting right holders

The OFSS group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the OFSS group obtains control over the subsidiary and ceases when the OFSS group loses control over the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. The financial statements of all entities used for the consolidation are drawn up to same reporting date as that of parent company i.e. as at March 31, 2024.

The financial statements of the companies under OFSS group are consolidated on a line-by-line basis and intra-group balances and transactions including unrealized gain/loss from such transactions are eliminated upon consolidation.

2.3 Summary of material accounting policies

The material accounting policies adopted by the OFSS group, in respect of the consolidated financial statements are set out as below:

(a) Property, plant and equipment including intangibles and capital work-in-progress, depreciation and amortization

Property, plant and equipment including intangibles and capital work-in-progress

Freehold land is stated at cost. All other items of property, plant and equipment and capital work in progress, are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment, if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the OFSS group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in the statement of profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. All additions during the reported year are considered at cost. An item of property, plant and equipment is derecognized at its carrying value on disposal; and any gain or loss arising from such derecognition is included in the statement of profit or loss when the item is derecognized.

The OFSS group purchases certain specific-use application software, which is in ready to use condition, for internal use. It is estimated that such software has a relatively short useful life, usually less than one year. The OFSS group, therefore, charges to the consolidated statement of profit and loss the cost of acquiring such software.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination becomes their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level.

Depreciation and amortization

Depreciation and amortization are computed as per the straight-line method using the rates arrived at based on the useful lives estimated by the management. The estimated useful life considered for depreciation of fixed assets is as follows:

Asset description	Asset life (in years)
Improvement to leasehold premises	Lesser of 7 years or lease term
Buildings	20
Computer equipments	3
Office equipments	2-5
Electricals and other installations	2-7
Furniture and fixtures	2-7

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

The management has estimated, supported by an independent assessment by professionals, the useful lives of buildings as 20 years. These lives are lower than those indicated in schedule II to the Act.

The management has estimated, based on an internal assessment, the useful lives of the following classes of assets.

- The useful lives of servers and networking equipment's forming part of computer equipment's are estimated as 3 years. These lives are lower than those indicated in schedule II to the Act.
- The useful lives of furniture and fixtures and electrical and other installations are estimated at 2-7 years. These lives are lower than those indicated in schedule II to the Act.

(b) Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's or cash generating unit's (CGU) fair value less cost of disposal, and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to assets.

In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are validated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators. The OFSS group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the OFSS group's CGUs to which the individual assets are allocated.

Goodwill is tested for impairment annually as at March 31 and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognized. Impairment losses relating to goodwill cannot be reversed in future periods.

(c) Foreign currencies

The OFSS group's consolidated financial statements are presented in Indian Rupees ('INR'), which is also the parent company's functional currency. For each entity the OFSS group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Foreign currency balances

Transactions in foreign currencies are initially recorded by the OFSS group's entities at their respective functional currency using spot rates on the dates of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the relevant functional currency at exchange rates at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognized in the statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

OFSS group companies

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the date of the transactions. For

practical reasons, the OFSS group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the date of the transactions. The exchange differences arising on translation for consolidation are recognized in Other Comprehensive income ("OCI").

In accordance with Appendix B to Ind AS 21 "Foreign Currency Transactions and Advance Considerations", the date of the transaction for the purpose of determining the exchange rate to be used on initial recognition of the related asset or liability, expense or income, is when the OFSS group has received or paid advance consideration in foreign currency.

(d) Revenue recognition

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration that the OFSS group expects to receive in exchange for those products or services.

In arrangements for software development and related services along with maintenance services, the OFSS group has applied the guidance as per Ind AS 115, Revenue from contracts with customers, by applying revenue recognition criteria for each distinct performance obligations. For allocating the transaction price, the OFSS group has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. For Software licenses, the OFSS group is using a residual approach for estimating the standalone selling price of software license as the pricing is highly variable. For software development and related services, the performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses.

The OFSS group accounts for modifications to existing contracts by assessing whether the services added are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

The OFSS group presents revenues net of indirect taxes in its consolidated statement of profit and loss.

Performance obligation

Revenue from licenses where the customer obtains a "right to use" the licenses is recognized at the time the license is made available to the customer. Where the license is required to be substantially customized as part of the implementation service the entire arrangement fee for license and implementation is considered to be a single performance obligation and the revenue is recognized using the percentage-of-completion method as the implementation is performed.

Product maintenance revenue is recognized rateably over the period of the contract.

Revenue from fixed price contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized by reference to the stage of completion. Stage of completion is measured by reference to labor hours incurred to date as a percentage of total estimated labor hours for each contract. When the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are eligible to be recovered.

Revenue from contracts on time and material basis is recognized as services are performed.

Contract balances

Revenue in excess of billing is classified as contract asset i.e. unbilled revenue while billing in excess of revenue is classified as contract liability i.e. deferred revenue. Contract assets are classified as unbilled receivables when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Unbilled Revenue are classified as non-financial asset if the contractual right to consideration is dependent on completion of contractual milestones.

Deferred contract costs are incremental costs of obtaining a contract which are recognized as assets and amortized over the benefit period.

(e) Income tax

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the OFSS group operates and generates taxable income.

Current income tax relating to items recognized outside profit or loss is recognized either in other comprehensive income or in equity. Current tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate, including provision required for uncertain tax treatment.

Current tax assets and current tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

Income tax consequence of dividends are linked more directly to past transactions or events that generates distributable profit. Therefore, the OFSS group recognizes the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the OFSS group originally recognizes those past transactions or events.

Deferred tax

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, and associates, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized either in other comprehensive income or in equity. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Appendix C to Ind AS 12 Uncertainty over Income Tax Treatments:

The interpretation in Appendix C to Ind AS 12 Uncertainty over Income Tax Treatments addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12. It does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The interpretation specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

The OFSS group determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments based on the approach that better predicts the resolution of the uncertainty. In determining the approach that better predicts the resolution of the uncertainty, the OFSS group has considered, (a) how it prepares its income tax filings and supports tax treatments; or (b) how the OFSS group expects the taxation authority to make its examination and resolve issues that might arise from that examination.

(f) Investment properties

Investment properties are measured initially and subsequently at cost. Though the OFSS group measures investment property using cost based measurement, the fair value of investment property is disclosed annually in the notes which form an integral part of the financial statements. Fair values are determined based on an evaluation performed by an accredited external independent valuer applying a valuation technique as per the international norms and standards. Investment properties are derecognized either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from such disposal. The difference between the net sale proceeds and the carrying amount of asset is recognized in statement of profit and loss in the period of derecognition.

(g) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the OFSS group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The OFSS group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, so as to maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the OFSS group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

At the reporting date, the OFSS group analyzes the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the accounting policies. For this analysis, the OFSS group verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The OFSS group also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the OFSS group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(h) Financial instruments – initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The OFSS group recognizes a financial asset or a liability in its balance sheet only when the entity becomes party to the contractual provisions of the instrument.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as financial assets measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss as appropriate. All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets of OFSS group are classified in three categories:

- Debt instruments measured at amortized cost
- Debt instruments at fair value through other comprehensive income (OCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss

Debt instruments measured at amortized cost

This category is the most relevant to the OFSS group. Debt instruments are measured at amortized cost if the asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financial assets are amortized using the effective interest rate (EIR) method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the consolidated statement of profit and loss. The losses arising from impairment are recognized in the consolidated statement of profit and loss.

Debt instruments at fair value through OCI

Debt instruments are measured at fair value through other comprehensive income if the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The OFSS group has not designated any financial assets at fair value through OCI.

Debt instruments at fair value through profit or loss

Debt instruments at fair value through profit or loss include assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments as defined by Ind AS 109 Financial Instruments. Debt instruments at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the consolidated statement of profit and loss.

Derecognition

A financial asset is derecognized i.e. removed from the OFSS group's consolidated statement of financial position when:

- The contractual rights to the cash flows from the financial asset expire or
- The OFSS group has transferred its contractual rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the OFSS group has transferred substantially all the risks and rewards of the asset, or (b) the OFSS group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the OFSS group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the OFSS group continues to recognize the transferred asset to the extent of the OFSS group's continuing involvement. In that case, the OFSS group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the OFSS group has retained.

Impairment of financial assets

The OFSS group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets and credit risk exposure. For trade receivables the OFSS group follows 'simplified approach' for recognition of impairment loss allowance. The application of simplified approach does not require the OFSS group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the OFSS group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

The OFSS group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. Further, the trade receivables have customer concentration across the globe and therefore the OFSS group also considers the socio-economic conditions of the regions where the customers are located.

At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

Interest income

Interest income is recognized using the effective interest method.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at amortized cost or financial liabilities at fair value through profit or loss, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The OFSS group's financial liabilities include trade payables, accrued expenses, accrued compensation to employees, advance from customers, dividend and dividend tax payable along with unpaid dividends.

Subsequent measurement

The OFSS group measures all financial liabilities at amortized cost except for financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

Financial liabilities held for trading are measured at fair value through profit or loss. The OFSS group has not designated any financial liability as at fair value through profit or loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the consolidated statement of profit and loss.

Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a nonfinancial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the OFSS group does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognized in profit or loss, unless designated as effective hedging instruments.

(i) Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The OFSS group uses forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment
- Hedges of a net investment in a foreign operation

The OFSS group enters into foreign currency forward contracts that is used to hedge risk of exposure of changes in the fair value of trade receivables on account of foreign currency rate movement. These derivative contracts are not designated as hedges and accounted for at fair value through profit or loss and are included in other income, net.

(j) Leases

OFSS group as a Lessee

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

The OFSS group recognizes right-of-use asset and a corresponding lease liability for all lease arrangements in which the OFSS group is a lessee, except for a short term lease of 12 months or less and leases of low-value assets. For short term lease and low-value asset arrangements, the OFSS group recognizes the lease payments as an operating expense on straight-line basis over the lease term.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease arrangement. Right-of-use assets and lease liabilities are measured according to such options when it is reasonably certain that the OFSS group will exercise these options.

The right-of-use assets are recognized at the inception of the lease arrangement at the amount of the initial measurement of lease liability adjusted for any lease payments made at or before the commencement date of lease arrangement reduced by any lease incentives received, added by initial direct costs incurred and an estimate of costs to be incurred by the OFSS group in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets. Estimated useful life of right-of-use assets is determined on the basis of useful life of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is an indication that their carrying value may not be recoverable. Impairment loss, if any is recognized in the statement of profit and loss account.

The lease liability is measured at amortized cost, at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease arrangement or, if not readily determinable, at the incremental borrowing rate in the country of domicile of such leases. Lease liabilities are remeasured with corresponding adjustments to right-of-use assets to reflect any reassessment or lease modifications.

OFSS group as a Lessor

Leases for which the OFSS group is a lessor is classified as finance or operating lease. If the terms of the lease arrangement transfers substantially all the risks and rewards of ownership to the lessee, such lease arrangement is classified as finance lease. All other leases are classified as operating leases.

In case of sub-lease, the OFSS group recognizes investment in sub-lease separately in the financial statements. The sub-lease is classified as a finance or operating lease by reference to the right-of-use asset arising from such lease arrangement. For operating leases, rental income is recognized on a straight-line basis over the term of the lease arrangement.

The weighted average incremental borrowing rate applied to lease liabilities recognized in the balance sheet at the date of initial application was 7.29%.

(k) Share based payments

Selected employees of the OFSS group also receive remuneration in the form of share-based payments under stock option program of the Company.

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. The cost is recognized in employee benefits expense, together with a corresponding increase in 'employee stock options outstanding' in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the OFSS group's best estimate of the number of equity instruments that will ultimately vest.

The consolidated statement of profit and loss expense or credit recognized in employee benefit expense represents the movement in cumulative expense recognized as at the beginning and end of the year.

Oracle Corporation, the ultimate holding company of Oracle Financial Services Software Limited has extended its Stock Option program (ESOP) to selected employees of OFSS's subsidiaries and branches, who are working outside India. The cost of equity-settled transactions is also determined by the fair value at the date when the grant is made using an appropriate valuation model. The cost is recognized in employee benefit expenses over the period in which the performance and/or service conditions are fulfilled with a corresponding impact under statement of changes in equity as Contribution from Ultimate Holding Company.

Oracle Corporation has also extended its Employee Stock Purchase Plan (ESPP) to employees of OFSS group. Under the plan, the employees are eligible to purchase the shares of Oracle Corporation at discounted price. The discount amount on the shares purchased during the year by employees is treated as Contribution from Ultimate Holding Company.

(l) Provisions

Provisions are recognized when the OFSS group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

(m) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The OFSS group has no obligation, other than the contribution payable to the provident fund. The OFSS group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Certain eligible employees of the OFSS group on Indian payroll are entitled to superannuation, a defined contribution plan. The OFSS group makes monthly contributions until retirement or resignation of the employee which are recognized as an expense when incurred. The OFSS group has no further obligations beyond its monthly contributions, the corpus of which is invested with the Life Insurance Corporation of India.

Compensated absences which are expected to occur within twelve months after the end of the period in which employee renders the related services are recognized as undiscounted liability at the balance sheet date. The expected cost of compensated absences which are not expected to occur within twelve months after the end of the period in which employee renders related services are recognized at the present value based on actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method.

The OFSS group operates a defined benefit gratuity plan in India, which requires contributions to be made to a fund administered and managed by the LIC to fund the gratuity liability. Under this scheme, the obligation to pay gratuity remains with the OFSS group, although LIC administers the scheme.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the OFSS group recognizes related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The OFSS group recognizes the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

(n) Cash dividend to equity shareholders of the Company

The Company recognizes a liability to make cash or noncash distributions to equity shareholders when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the Act, a distribution of interim dividend is authorized when it is approved by the Board of Directors and final dividend is authorized when it is approved by the shareholders of the Company. A corresponding amount is recognized directly in other equity.

Note 3: Property, plant and equipment

(a) Year ended March 31, 2024

Particulars	Gross carrying value				Depreciation				Net carrying value	
	As at April 01, 2023	Additions	Sale/ deletions	Translation gain (loss)	As at March 31, 2024	As at April 01, 2023	Additions	Sale/ deletions	Translation (gain) loss	As at March 31, 2024
Freehold Land	436.31	-	-	-	436.31	-	-	-	-	436.31
Improvement to leasehold premises	314.83	-	52.08	-	262.75	314.48	-	52.08	-	262.40
Buildings	2,089.95	-	-	-	2,089.95	1,480.09	101.79	-	-	1,581.88
Computer equipments	3,464.59	233.76	278.42	(0.83)	3,419.10	3,019.65	303.71	278.16	(0.68)	3,044.52
Office equipments	257.22	3.59	71.55	(0.06)	189.20	247.87	5.02	69.62	(0.06)	183.21
Electricals and other installations	949.88	1.12	1.12	-	949.88	915.62	5.59	1.12	-	920.09
Furniture and fixtures	1,045.05	51.54	20.36	0.03	1,076.26	921.27	45.85	19.85	0.02	947.29
Total	8,557.83	290.01	423.53	(0.86)	8,423.45	6,898.98	461.96	420.83	(0.72)	6,939.39
										Capital work-in-progress
										27.58
										1,511.64

(b) Year ended March 31, 2023

Particulars	Gross carrying value				Depreciation				Net carrying value	
	As at April 01, 2022	Additions	Sale/ deletions	Translation gain (loss)	As at March 31, 2023	As at April 01, 2022	Additions	Sale/ deletions	Translation (gain) loss	As at March 31, 2023
Freehold Land	436.31	-	-	-	436.31	-	-	-	-	436.31
Improvement to leasehold premises	357.17	-	42.01	(0.33)	314.83	350.36	6.46	42.01	(0.33)	314.48
Buildings	2,089.95	-	-	-	2,089.95	1,376.14	103.95	-	-	1,480.09
Computer equipments	3,216.17	358.96	118.32	7.78	3,464.59	2,841.72	289.03	117.56	6.46	3,019.65
Office equipments	264.94	8.31	16.38	0.35	257.22	254.02	8.25	14.35	(0.05)	247.87
Electricals and other installations	925.63	27.50	3.25	-	949.88	913.32	5.55	3.25	-	915.62
Furniture and fixtures	1,055.90	14.81	25.99	0.33	1,045.05	896.83	49.12	25.00	0.32	921.27
Total	8,346.07	409.58	205.95	8.13	8,557.83	6,632.39	462.36	202.17	6.40	6,898.98
										Capital work-in-progress
										5.69
										1,664.54

(c) Capital work-in-progress ('CWIP') ageing schedule

Particulars	(Amounts in ₹ million)			
	As at March 31, 2024		As at March 31, 2023	
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years
Projects in progress	27.58	-	-	-
Total	27.58	-	-	-

There are no projects as of March 31, 2024 and March 31, 2023, whose completion is overdue or has exceeded its cost compared to its original plan.

Note 4: Right-of-use assets

Year ended March 31, 2024

Particulars	(Amounts in ₹ million)										
	Gross carrying value		Depreciation								
	As at April 01, 2023	Additions	Sale / deletions	Translation gain (loss)	As at March 31, 2024	As at April 01, 2023	Additions	Sale / deletions	Translation (gain) loss	As at March 31, 2024	Net carrying value As at March 31, 2024
Right-of-use assets	1,340.43	64.56	360.22	(0.39)	1,044.38	719.79	280.62	335.05	1.04	666.40	377.98
Total	1,340.43	64.56	360.22	(0.39)	1,044.38	719.79	280.62	335.05	1.04	666.40	377.98

Year ended March 31, 2023

Particulars	(Amounts in ₹ million)										
	Gross carrying value		Depreciation								
	As at April 01, 2022	Additions	Sale / deletions	Translation gain (loss)	As at March 31, 2023	As at April 01, 2022	Additions	Sale / deletions	Translation (gain) loss	As at March 31, 2023	Net carrying value As at March 31, 2023
Right-of-use assets	1,368.76	203.96	276.39	44.10	1,340.43	556.95	344.27	192.09	10.66	719.79	620.64
Total	1,368.76	203.96	276.39	44.10	1,340.43	556.95	344.27	192.09	10.66	719.79	620.64

Note 5: Investment property

Year ended March 31, 2024

Particulars	(Amounts in ₹ million)						
	Gross carrying value			Depreciation			Net carrying value
	As at April 01, 2023	Additions	Sale/ deletions	Translation gain (loss)	As at March 31, 2024	As at April 01, 2023	As at March 31, 2024
Freehold land	102.00	-	-	-	102.00	-	102.00
Total	102.00	-	-	-	102.00	-	102.00

Year ended March 31, 2023

Particulars	(Amounts in ₹ million)						
	Gross carrying value			Depreciation			Net carrying value
	As at April 01, 2022	Additions	Sale/ deletions	Translation gain (loss)	As at March 31, 2023	As at April 01, 2022	As at March 31, 2023
Freehold land	102.00	-	-	-	102.00	-	102.00
Total	102.00	-	-	-	102.00	-	102.00

The OFSS group's investment property consists of a portion of land at Pune, India.

The fair value of the investment property as at March 31, 2024 and March 31, 2023 is based on valuations performed by a registered IBBV valuer firm ANVI Technical Advisors India Pvt Ltd which is associated with Colliers International India Property Services Private Limited. The fair value of the above investment property as at March 31, 2024 and March 31, 2023 is ₹ 250.00 million and ₹ 247.00 million respectively.

The direct operating expenses incurred in relation to investment property are ₹ 3.64 million and ₹ 3.32 million for the financial year ended March 31, 2024 and March 31, 2023 respectively. These expenses are included in repairs and maintenance under Note 22: other operating expenses.

The OFSS group has no restrictions on the realizability of its investment properties and has no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements. Fair value hierarchy disclosures for investment properties have been provided in note 39 on fair value measurement.

Reconciliation of fair value:	(Amounts in ₹ million)	
	March 31, 2024	March 31, 2023
Fair value of investment property at beginning of the year	247.00	237.60
Adjustment towards fair values for the year	3.00	9.40
Fair value of investment property at end of the year	250.00	247.00

Description of valuation techniques used and key inputs to valuation on investment properties	(Amounts in ₹, except percentages)	
	March 31, 2024	March 31, 2023
Valuation technique	Discounted Cash Flow (DCF) Method	Discounted Cash Flow (DCF) Method
Significant unobservable inputs	Quoted rental per sq. ft. per month ₹ 63 to ₹ 65 Negotiation, discount, location and physical adjustments -15% to 2.5% Final adjusted rental per sq. ft. per month ₹ 49 to ₹ 55	Quoted rental per sq. ft. per month ₹ 65 to ₹ 70 Negotiation, discount, location and physical adjustments -15% to 0% Final adjusted rental per sq. ft. per month ₹ 49 to ₹ 52
Description of valuation technique	Financial modelling technique is used, based on explicit assumptions regarding the prospective income arising out of the development to be carried out on the property. The entire development cash flows are drawn up and assumptions are made about the market performance over the entire project frame. Other contributors such as demand / supply dynamics, construction costs, quality and infrastructure requirements, time frame of project and profits / returns is compiled to create a financial model that captures all market drivers and value impacting parameters.	

Note 6: Goodwill

Year ended March 31, 2024

Particulars	Gross carrying value				Amortization and impairment losses				Net carrying value	
	As at April 01, 2023	Additions	Sale/ deletions	Translation gain (loss)	As at March 31, 2024	As at April 01, 2023	Additions	Sale/ deletions	Translation (gain) loss	As at March 31, 2024
Goodwill on consolidation [Refer note 31]	6,086.63	-	-	-	6,086.63	-	-	-	-	6,086.63
Total	6,086.63	-	-	-	6,086.63	-	-	-	-	6,086.63

(Amounts in ₹ million)

Year ended March 31, 2023

Particulars	Gross carrying value				Amortization and impairment losses				Net carrying value	
	As at April 01, 2022	Additions	Sale/ deletions	Translation gain (loss)	As at March 31, 2023	As at April 01, 2022	Additions	Sale/ deletions	Translation (gain) loss	As at March 31, 2023
Goodwill on consolidation [Refer note 31]	6,086.63	-	-	-	6,086.63	-	-	-	-	6,086.63
Total	6,086.63	-	-	-	6,086.63	-	-	-	-	6,086.63

(Amounts in ₹ million)

Note 7: Financial assets

(Amounts in ₹ million, except share data)

	March 31, 2024	March 31, 2023
Non-current		
Other financial assets at fair value through profit or loss		
Investment in Sarvatra Technologies Private Limited (Unquoted)*		
242,240 (March 31, 2023 - 242,240) equity shares of ₹ 10 each, fully paid-up	–	–
	–	–
Other financial assets measured at amortized cost		
Deposits for premises and others	639.35	633.98
	639.35	633.98
	639.35	633.98
Current		
Other financial assets measured at amortized cost		
Unbilled receivable	4,030.80	2,778.64
Deposits for premises and others	82.06	76.00
Other receivables and advances	210.02	224.18
	4,322.88	3,078.82

*The OFSS group had made an investment of ₹ 45.00 million and the same has been fair valued as at the balance sheet date.

Breakup of financial assets carried at amortized cost

(Amounts in ₹ million)

	March 31, 2024	March 31, 2023
Trade receivables [Refer note 8]	13,193.07	10,833.73
Cash and bank balances [Refer note 9]	55,381.88	54,697.36
Deposits for premises and others	721.41	709.98
Unbilled receivable	4,030.80	2,778.64
Other receivables and advances	210.02	224.18
	73,537.18	69,243.89

Note 8: Trade receivables

(Amounts in ₹ million)

	March 31, 2024	March 31, 2023
Secured, considered good	–	–
Unsecured, considered good	13,796.92	11,070.31
Credit impaired	271.81	139.36
	14,068.73	11,209.67
Impairment Allowance		
Unsecured, considered good	(603.85)	(236.58)
Credit impaired	(271.81)	(139.36)
	(875.66)	(375.94)
	13,193.07	10,833.73

No trade receivables are due from directors or other key managerial personnel of the Company either severally or jointly with any other person. Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

Trade receivables ageing

(Amounts in ₹ million)

As at March 31, 2024	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed trade receivables							
Considered good	6,829.43	5,876.22	499.35	587.47	1.15	3.30	13,796.92
Credit impaired	–	–	–	–	–	–	–
Disputed trade receivables							
Considered good	–	–	–	–	–	–	–
Credit impaired	–	11.14	87.52	145.07	23.33	4.75	271.81
	6,829.43	5,887.36	586.87	732.54	24.48	8.05	14,068.73
Less: Impairment allowance							(875.66)
							13,193.07
Add: Unbilled receivables							4,030.80
							17,223.87

(Amounts in ₹ million)

As at March 31, 2023	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed trade receivables							
Considered good	3,144.99	7,292.16	587.00	37.42	1.81	6.93	11,070.31
Credit impaired	–	–	–	–	–	–	–
Disputed trade receivables							
Considered good	–	–	–	–	–	–	–
Credit impaired	–	22.64	20.41	76.31	4.33	15.67	139.36
	3,144.99	7,314.80	607.41	113.73	6.14	22.60	11,209.67
Less: Impairment allowance							(375.94)
							10,833.73
Add: Unbilled receivables							2,778.64
							13,612.37

Note 9: Cash and bank balances

(Amounts in ₹ million)

	March 31, 2024	March 31, 2023
(a) Cash and cash equivalents		
Balances with banks:		
In current accounts*	10,935.84	20,134.65
In deposit accounts with original maturity of less than 3 months	12,190.23	228.09
Money market funds	11,668.55	–
In unclaimed dividend accounts**	37.96	38.05
	34,832.58	20,400.79
(b) Other bank balances		
Balances with banks:		
In deposit accounts with original maturity of more than 3 months but less than 12 months***	20,549.30	34,296.57
	20,549.30	34,296.57
	55,381.88	54,697.36

*Current account includes ₹ 0.71 million (March 31, 2023 - ₹ 4.00 million) on account of restricted cash and bank balances held by i-flex Employee Stock Option Trust controlled by the Company.

**These balances will be utilized only towards the respective unclaimed dividend.

***Deposit accounts with original maturity of more than 3 months but less than 12 months includes ₹ 893.07 million (March 31, 2023 - ₹ 993.36 million) on account of restricted cash and bank balances held by i-flex Employee Stock Option Trust controlled by the Company.

Cash at banks earns interest at floating rates based on the daily bank deposit rates and the daily balances. Time deposits are placed for varying periods ranging from 7 days to 364 days, depending on the immediate cash requirements of the OFSS group. The time deposits earn interest at the respective deposit rates.

Changes in liabilities arising from financing activities is primarily due to repayment of lease liabilities [Refer note 28: Leases].

Note 10: Other assets

(Amounts in ₹ million)

	March 31, 2024	March 31, 2023
Non-current		
GST, VAT, service tax and other indirect taxes	295.85	297.35
Tax deducted at source paid under protest	936.72	921.80
Prepaid expenses	5.97	0.55
Deferred contract cost	119.56	99.73
	1,358.10	1,319.43
Current		
Unbilled revenue	2,832.63	2,136.13
GST, VAT, service tax and other indirect taxes	225.63	134.32
Prepaid expenses	195.23	197.39
Deferred contract cost	82.86	72.18
	3,336.35	2,540.02

Note 11: Equity share capital

(Amounts in ₹ million)

	March 31, 2024	March 31, 2023
Authorized:		
100,000,000 (March 31, 2023 - 100,000,000) equity shares of ₹ 5 each	500.00	500.00
Issued, subscribed and fully paid-up:		
86,671,656 (March 31, 2023 - 86,397,179) equity shares of ₹ 5 each	433.36	431.99

- (a) The Company has only one class of equity shares having a par value of ₹ 5 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
- (b) Details of shareholders holding more than 5% equity shares in the Company:

Name and relationship of shareholder:	March 31, 2024	March 31, 2023
Oracle Global (Mauritius) Limited, holding company		
Number of equity shares	63,051,197	63,051,197
% of equity shares	72.75%	72.98%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of equity shares.

- (c) Reconciliation of equity shares outstanding at the beginning and at the end of the year:

	No. of equity shares	Amounts in ₹ million
Outstanding as at April 1, 2022	86,246,465	431.23
Issued during the year ended March 31, 2023 under the employee stock option plan (ESOP)	150,714	0.76
Outstanding as at March 31, 2023	86,397,179	431.99
Issued during the year ended March 31, 2024 under the employee stock option plan (ESOP)	274,477	1.37
Outstanding as at March 31, 2024	86,671,656	433.36

- (d) Refer note 29 (b) for details of shares reserved for issue under the employee stock option plan (ESOP) of the Company.

Note 12: Other Equity

(Amounts in ₹ million)

	March 31, 2024	March 31, 2023
Share application money pending allotment	2.72	0.01
Securities premium	18,374.25	17,364.61
General reserve	10,145.19	10,145.19
Employee stock options outstanding	1,326.40	1,532.58
Contribution from Ultimate Holding Company	1,012.85	718.70
Gain on Treasury shares	607.71	607.71
Retained earnings	43,315.57	40,462.77
Other comprehensive income	3,370.36	3,325.51
	78,155.05	74,157.08

Share application money pending allotment

Share application money pending allotment represents the amount received on exercise of stock options by the eligible employees under the prevailing ESOP schemes of the Company, on which allotment is yet to be made.

Share application money pending allotment as at March 31, 2024 represents the money received from employees of the Company towards exercise of 803 (March 31, 2023 - 1,518) OFSS Stock Units ("OSUs") at the exercise price of ₹ 5 and towards exercise of 800 (March 31, 2023 - Nil) OFSS Stock Options at the exercise price of ₹ 3,392.85 under Oracle Financial Services Software Limited Stock Plan 2014 ("OFSS Stock Plan 2014"). Each OSUs will entitle one equity share of ₹ 5 each of the Company.

Securities premium

Securities premium represents amount received in excess of face value on issue of shares by the Company. It also includes transfer of stock compensation related to options exercised from employee stock options outstanding (other equity). The securities premium will be utilized in accordance with the provisions of the Act.

General reserve

General reserve represents the amount of profits appropriated by the Company in earlier years, before declaring dividends, pursuant to the provisions of the erstwhile Companies Act, 1956.

Employee stock options outstanding

Selected employees of the OFSS group also receive remuneration in the form of share-based payments under stock option program of the Company. Employee stock options outstanding represents the fair value of equity-settled transactions, calculated at the date when the grant is made using an appropriate valuation model and recognized over the period in which the performance and/or service conditions are fulfilled.

Contribution from Ultimate Holding Company

Oracle Corporation, the Ultimate Holding Company of Oracle Financial Services Software Limited has extended its stock option program to selected employees of OFSS's overseas subsidiaries and branches. Contribution from Ultimate Holding Company represents the fair value of equity-settled transactions; calculated at the date when the grant is made using an appropriate valuation model and recognized over the period in which the performance and/or service conditions are fulfilled.

Oracle Corporation has also extended its Employee Stock Purchase Plan (ESPP) to employees of OFSS group. Under the plan, the employees are eligible to purchase the shares of Oracle Corporation at discounted price. The discount amount on the shares purchased during the year by employees is treated as Contribution from Ultimate Holding Company.

Gain on Treasury shares

Company's own equity instruments (treasury shares) are recognized at cost and deducted from equity. Gain or loss on the sale of the Company's own equity instruments is recognized in Other Equity.

Retained earnings

Retained earnings represents the undistributed earnings, net of amounts transferred to general reserve; if any.

The Board of Directors have declared an interim dividend on April 24, 2024 of ₹ 240 per equity share for the financial year 2023-24. This would result in an estimated cash outflow of ₹ 20,820.00 million.

The Board of Directors had declared an interim dividend on April 26, 2023 of ₹ 225 per equity share for the financial year 2022-23. This had resulted in cash outflow of ₹ 19,459.67 million.

Other comprehensive income

Other comprehensive income represents the exchange differences arising on translation of foreign subsidiaries and branches for consolidation and the remeasurements of the defined benefit gratuity plan; comprising of actuarial gains and losses on its net liabilities / assets.

Note 13: Financial liabilities

(Amounts in ₹ million)

	March 31, 2024	March 31, 2023
(a) Trade payable measured at amortized cost		
Current		
- Payable to micro and small enterprises*	5.27	26.72
- Payable to other than micro and small enterprises	1,015.04	354.42
	1,020.31	381.14
(b) Other financial liabilities		
Non-current		
Financial liabilities measured at amortized cost		
Accrued compensation to employees	20.85	18.48
	20.85	18.48
Current		
Derivative instruments at fair value through profit or loss		
Derivatives not designated as hedges		
Foreign exchange forward contract, net**	8.59	1.63
	8.59	1.63
Other financial liabilities measured at amortized cost		
Accrued compensation to employees	1,112.67	1,057.64
Accrued Expenses	1,219.49	995.89
Capital creditors	58.55	47.71
Advance from customers	41.24	93.18
Unpaid dividends***	37.96	38.05
	2,469.91	2,232.47
	2,478.50	2,234.10

**(i) The identification of Micro and Small Enterprises is based on Management's knowledge of their status.*

***(ii) The OFSS group entered into foreign exchange forward contracts with the intention of reducing the foreign exchange risk of Trade receivable. These contracts are not designated in hedge relationships and are measured at fair value through profit or loss.*

****(iii) There is no amount due and outstanding as at balance sheet date to be credited to the Investor Education and Protection Fund.*

Dues to micro and small enterprises - As per Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED' Act)

(Amounts in ₹ million)

	March 31, 2024	March 31, 2023
- Principal amount remaining unpaid to any supplier as at the end of the year	5.27	26.72
- Amount of interest due remaining unpaid to any supplier as at the end of the year	-	-
- Amount of interest paid under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year	-	-
- Amount of interest due and payable for the period of delay in making payment (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	-	-
- Amount of interest accrued and remaining unpaid at the end of year	-	-
- Amount of further interest remaining due and payable even in the succeeding year	-	-
	5.27	26.72

Terms and conditions of financial liabilities:

- Trade payables are non-interest bearing and are normally settled on 30-day terms
- Other financial liabilities are normally settled as and when due

Ageing of trade payable

(Amounts in ₹ million)

As at March 31, 2024	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed						
- To micro and small enterprises	5.27	–	–	–	–	5.27
- To others	56.31	943.71	4.02	6.83	4.17	1,015.04
	61.58	943.71	4.02	6.83	4.17	1,020.31
Disputed						
- To micro and small enterprises	–	–	–	–	–	–
- To others	–	–	–	–	–	–
	–	–	–	–	–	–
	61.58	943.71	4.02	6.83	4.17	1,020.31

(Amounts in ₹ million)

As at March 31, 2023	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed						
- To micro and small enterprises	21.18	5.43	0.11	–	–	26.72
- To others	54.31	243.02	21.64	29.77	5.68	354.42
	75.49	248.45	21.75	29.77	5.68	381.14
Disputed						
- To micro and small enterprises	–	–	–	–	–	–
- To others	–	–	–	–	–	–
	–	–	–	–	–	–
	75.49	248.45	21.75	29.77	5.68	381.14

Note 14: Other liabilities

(Amounts in ₹ million)

	March 31, 2024	March 31, 2023
Non-current		
Deferred Revenue	189.03	81.68
	189.03	81.68
Current		
Deferred Revenue	5,298.96	5,297.19
Withholding and other taxes	455.19	392.06
Other statutory dues	642.87	555.60
	6,397.02	6,244.85

Note 15: Provisions

(Amounts in ₹ million)

	March 31, 2024	March 31, 2023
Non-current		
For gratuity [Refer note 30]	1,853.49	1,626.18
	1,853.49	1,626.18
Current		
For gratuity [Refer note 30]	153.93	143.91
For compensated absence	1,604.53	1,511.26
	1,758.46	1,655.17

Note 16: Income taxes

(a) The major components of income tax expense for the year ended March 31, 2024 and March 31, 2023 are:

		(Amounts in ₹ million)	
		Year ended March 31, 2024	Year ended March 31, 2023
(i)	Profit or loss section		
	Current taxes	8,143.33	7,386.77
	Deferred taxes	(113.60)	250.86
	Income tax expense reported in the statement of profit and loss	8,029.73	7,637.63
(ii)	Other Comprehensive Income (OCI) section		
	Deferred tax on actuarial gain on gratuity fund	21.23	5.85
	Income tax expense charge reported in Other Comprehensive Income	21.23	5.85

(b) Reconciliation of tax expense and accounting profit for the year ended March 31, 2024 and March 31, 2023:

		(Amounts in ₹ million)	
		Year ended March 31, 2024	Year ended March 31, 2023
	Profit before tax	30,223.35	25,699.04
	Enacted tax rates in India	25.17%	25.17%
	Computed expected tax expenses	7,606.61	6,467.94
	Tax effect		
	of earlier years	(56.84)	(4.31)
	on income at different rates	(126.17)	(105.66)
	on undistributed profits	221.40	383.41
	on non-deductible expenses for tax purpose	254.89	179.92
	Overseas tax charge net of credit	605.50	561.59
	Others	(475.66)	154.74
	Income tax expense reported in consolidated statement of profit and loss	8,029.73	7,637.63

(c) The tax effect of significant temporary differences that resulted in net deferred tax asset are as follows:

		(Amounts in ₹ million)				
		As at April 01, 2023	Recognized in profit or loss	Recognized in OCI	Translation differences	As at March 31, 2024
Deferred tax asset						
	Difference between book and tax depreciation	171.52	3.52	–	(0.13)	174.91
	Provision for compensated absence	368.10	27.42	–	(1.88)	393.64
	Provision for gratuity	447.26	102.38	(21.23)	0.01	528.42
	Impairment loss on financial assets	157.64	102.25	–	(2.60)	257.29
	Net operating loss	76.82	(31.41)	–	(7.96)	37.45
	Other timing differences	346.40	130.84	–	(5.82)	471.42
		1,567.74	335.00	(21.23)	(18.38)	1,863.13
Deferred tax liability						
	Tax on undistributed profits	(2,163.10)	(221.40)	–	–	(2,384.50)
		(2,163.10)	(221.40)	–	–	(2,384.50)
	Net deferred tax (liability)	(595.36)	113.60	(21.23)	(18.38)	(521.37)

(Amounts in ₹ million)

	As at April 01, 2022	Recognized in profit or loss	Recognized in OCI	Translation differences	As at March 31, 2023
Deferred tax asset					
Difference between book and tax depreciation	169.76	1.63	–	0.13	171.52
Provision for compensated absence	311.21	54.23	–	2.66	368.10
Provision for gratuity	388.04	65.01	(5.85)	0.06	447.26
Impairment loss on financial assets	57.49	96.60	–	3.55	157.64
Net operating loss	131.70	(61.84)	–	6.96	76.82
Other timing differences	364.79	(23.07)	–	4.68	346.40
	1,422.99	132.56	(5.85)	18.04	1,567.74
Deferred tax liability					
Tax on undistributed profits	(1,779.68)	(383.42)	–	–	(2,163.10)
	(1,779.68)	(383.42)	–	–	(2,163.10)
Net deferred tax (liability)	(356.69)	(250.86)	(5.85)	18.04	(595.36)

Deferred tax asset and deferred tax liabilities have been offset wherever the OFSS group has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority. The unused tax losses having various expiry dates for which no deferred tax asset is recognized in the balance sheet amounts to ₹ 1,621.04 million (March 31, 2023 - ₹ 1,473.97 million).

Note 17: Revenue from operations

(Amounts in ₹ million)

	Year ended March 31, 2024	Year ended March 31, 2023
Product licenses and related activities	57,862.01	51,309.00
IT solutions and consulting services	5,867.60	5,674.09
	63,729.61	56,983.09

Note 18: Finance income

(Amounts in ₹ million)

	Year ended March 31, 2024	Year ended March 31, 2023
Interest on financial assets measured at amortized cost:		
Balance with banks in current and deposit accounts	2,497.33	1,622.54
Money Market funds	11.72	–
Deposits for premises and others	52.61	49.18
Interest on income tax refund	755.05	1.12
	3,316.71	1,672.84

Note 19: Other income, net

(Amounts in ₹ million)

	Year ended March 31, 2024	Year ended March 31, 2023
Fair value gain (loss) on derivatives not designated as hedges	36.78	(154.75)
Foreign exchange (loss) gain, net	(140.76)	334.85
(Loss) on sale of fixed assets, net	(2.29)	(2.26)
Miscellaneous income	211.48	67.75
	105.21	245.59

Note 20: Employee benefit expenses

(Amounts in ₹ million)

	Year ended March 31, 2024	Year ended March 31, 2023
Salaries and bonus	26,038.89	24,615.16
Contribution to provident and other funds	1,624.09	1,402.15
Stock compensation expense	950.26	752.51
Staff welfare expenses	1,215.01	971.90
	29,828.25	27,741.72

Note 21: Finance cost

(Amounts in ₹ million)

	Year ended March 31, 2024	Year ended March 31, 2023
Interest on lease liability	32.94	45.28
Interest on income tax	248.15	81.27
	281.09	126.55

Note 22: Other operating expenses

(Amounts in ₹ million)

	Year ended March 31, 2024	Year ended March 31, 2023
Application software	16.04	11.81
Communication expenses	89.57	93.61
Rent	96.46	94.16
Power	194.31	144.70
Insurance	23.84	22.82
Repairs and maintenance:		
Buildings and leasehold premises	50.52	31.06
Computer equipments	24.99	24.20
Others	104.49	81.92
Rates and taxes	171.24	76.00
Impairment loss recognized on contract assets	616.27	163.85
Impairment loss on other financial assets	5.58	8.00
Bad debts	84.98	79.87
Corporate Social Responsibility expenditure [Refer Note 36]	482.49	457.64
Miscellaneous expenses	262.46	224.98
	2,223.24	1,514.62

Note 23: Financial ratios

Particulars	Numerator	Denominator	March 31, 2024	March 31, 2023	Variance
(a) Current ratio (in times)	Total current assets	Total current liabilities	5.98	6.55	-9%
(b) Return on equity ratio (in %)	Profit for the year	Average total equity	29%	25%	16%
(c) Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	5.30	5.67	-7%
(d) Trade payables turnover ratio (in times)	Purchases of services and other expenses	Average trade payables	8.95	13.05	-31%*
(e) Net capital turnover ratio (in times)	Revenue from operations	Total current assets less total current liabilities	1.00	0.94	6%
(f) Net profit ratio (in %)	Profit for the year	Revenue from operations	35%	32%	9%
(g) Return on capital employed (in %)	Profit before tax and finance cost	Tangible networth + lease liabilities + deferred tax liabilities	41%	36%	14%
(h) Debt equity ratio (in times)	Total debts (lease liabilities)	Total equity	0.01	0.01	–
(i) Debt service coverage ratio (in times)	Profit for the year + non-cash operating expenses + interest on lease liability + Other non-cash adjustments	Lease payments (repayment of lease liability + interest on lease liability)	71.28	60.22	18%

*Trade payables turnover ratio has reduced on account of high value invoices received at year end.

Note 24: Reconciliation of basic and diluted shares used in computing earnings per share

(Number of equity shares)

	Year ended March 31, 2024	Year ended March 31, 2023
Weighted average shares outstanding for basic earnings per share	86,561,856	86,360,061
Add: Effect of dilutive stock options	553,866	370,687
Weighted average shares outstanding for diluted earnings per share	87,115,722	86,730,748
Profit attributable to equity shareholders (in ₹ million)	22,193.62	18,061.41
Earnings per equity share of par value of ₹ 5 each (March 31, 2023 - ₹ 5) (in ₹)		
Basic	256.39	209.14
Diluted	254.76	208.25

Note 25: Disclosure on revenue from operations**(a) Disaggregate revenue information**

The table below presents disaggregated revenues from contracts with customers by geography, streams and type of contract for each of our business segments.

Year ended March 31, 2024		(Amounts in ₹ million)		
Particulars	Products	Services	Total	
Revenue by Geography				
India	6,091.40	44.33	6,135.73	
Outside India				
Americas				
United States of America	13,938.53	3,952.91	17,891.44	
Rest of America	5,159.23	–	5,159.23	
Europe	8,354.11	965.84	9,319.95	
Asia Pacific	12,852.62	573.55	13,426.17	
Middle East and Africa	11,466.12	330.97	11,797.09	
	57,862.01	5,867.60	63,729.61	
Revenue by Streams and type of Contract				
License Fees	8,493.55	–	8,493.55	
Maintenance Fees	19,409.76	–	19,409.76	
Consulting fees				
Fixed Price	20,438.40	4,483.05	24,921.45	
Time & Material Basis	9,520.30	1,384.55	10,904.85	
	57,862.01	5,867.60	63,729.61	

Year ended March 31, 2023		(Amounts in ₹ million)		
Particulars	Products	Services	Total	
Revenue by Geography				
India	4,785.79	25.78	4,811.57	
Outside India				
Americas				
United States of America	12,544.76	3,870.39	16,415.15	
Rest of America	4,407.66	–	4,407.66	
Europe	7,507.01	867.28	8,374.29	
Asia Pacific	12,068.18	657.18	12,725.36	
Middle East and Africa	9,995.60	253.46	10,249.06	
	51,309.00	5,674.09	56,983.09	
Revenue by Streams and type of Contract				
License Fees	7,494.03	–	7,494.03	
Maintenance Fees	16,924.09	–	16,924.09	
Consulting fees				
Fixed Price	16,920.20	2,923.20	19,843.40	
Time & Material Basis	9,970.68	2,750.89	12,721.57	
	51,309.00	5,674.09	56,983.09	

- (b) During the year ended March 31, 2024, the OFSS group recognized revenue of ₹ 4,834.91 million from opening deferred revenue as of April 1, 2023. During the year ended March 31, 2023, the OFSS group recognized revenue of ₹ 3,995.27 million from opening deferred revenue as of April 1, 2022.
- (c) During the year ended March 31, 2024, the OFSS group has not recognized any revenue from performance obligations satisfied prior to April 1, 2023. During the year ended March 31, 2023, the OFSS group has not recognized any revenue from performance obligations satisfied prior to April 1, 2022.
- (d) Change in contract assets and contract liabilities are on account of transactions undertaken in the normal course of business. In accordance with Ind AS 115, unbilled revenue of ₹ 2,832.63 million as at March 31, 2024 (March 31, 2023 - ₹ 2,136.13 million) has been classified as other current asset.

(e) Reconciliation of revenue recognized with contract price

	(Amounts in ₹ million)	
	Year ended March 31, 2024	Year ended March 31, 2023
Revenue as per contracted price	63,767.41	57,031.53
Reduction towards discounts	(37.80)	(48.44)
Revenue from operations	63,729.61	56,983.09

(f) Remaining Performance obligation

The OFSS group has applied the practical expedient as provided in Ind AS 115 and excluded the disclosure relating to remaining performance obligation for

- i. contracts where the original expected duration is one year or less
- ii. contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date. Typically this involves those contracts where invoicing is on time and material basis.

Remaining performance obligation estimates are subject to change and are affected by several factors such as terminations, changes in the scope of contracts, periodic revalidations of estimates and other macro economic factors.

The aggregate amount of transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as at March 31, 2024, after considering the practical expedient mentioned above is ₹ 35,176.12 million (March 31, 2023 - ₹ 18,948.38 million), out of which 63% (March 31, 2023 - 58%) is expected to be recognized as revenue within the next one year and the balance thereafter.

(g) Asset recognized from the costs to obtain a contract

The OFSS group recognizes incremental costs of obtaining a contract with customers as an asset and disclose them under "Other assets" as Deferred contract costs in the Consolidated financial statements. Incremental costs of obtaining contracts are those costs that the OFSS group incurs to obtain a contract with the customer that would not have been incurred if the contract had not been obtained. Such deferred contract costs assets are amortized over the benefit period.

The OFSS group has amortized deferred contract cost of ₹ 84.78 million for the year ended March 31, 2024 (March 31, 2023 - ₹ 75.14 million) and has closing balance of deferred contract cost asset of ₹ 202.42 million as at March 31, 2024 (March 31, 2023 - ₹ 171.91 million).

Note 26: Significant accounting judgements, estimates and assumptions

The preparation of the OFSS group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions and estimate at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are described below. These assumptions and estimates are based on available parameters as on the date of preparation of financial statements. These assumptions and estimates, however, may change due to market changes or circumstances arising that are beyond the control of the OFSS group.

(i) Leases

The OFSS group has entered into commercial property leases for its offices. The OFSS group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The OFSS group uses significant judgement in assessing the lease term and the applicable discount rate. The OFSS group has lease contracts which include extension and termination option and this requires exercise of judgement by The OFSS group in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. The discount rate is generally based on the incremental borrowing rate specific to the lease period.

(ii) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the projections for the next five years and do not include restructuring activities that the OFSS group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill recognized by the OFSS group. The key assumptions used to determine the recoverable amount for the different CGUs, are disclosed and further explained in Note 31.

(iii) Share based payments

The Company measures share-based payments and transactions at fair value and recognizes over the vesting period using Black Scholes valuation model. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and model used for estimating fair value for share-based payment transactions are disclosed in note 29 (b).

(iv) Taxes

Income tax expense comprises current tax expense and the net changes in the deferred tax asset or liability during the year. Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions, including disclosures thereof. Also refer Note 2.3 (e), Note 16 and Note 38.

Deferred tax liability is recognized on the undistributed profits of subsidiaries where it is expected that the earnings of the subsidiary will be distributed in foreseeable future. Deferred tax asset is recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

(v) Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment retirement benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date annually. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. For plans operated outside India, the management considers the interest rates of high quality corporate bonds in currencies consistent with the currencies of the post-employment benefit obligation with at least an 'AA' rating or above, as set by an internationally acknowledged rating agency, and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation. The underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases is based on expected future inflation rates for the respective countries. Further details about gratuity obligations are given in note 30.

(vi) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See note 39 for further disclosures.

(vii) Revenue Recognition

The OFSS group assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables. The OFSS group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time.

In determining the transaction price for the contract, judgement is required to assess if the consideration is fixed or is considered variable and whether there is any constraint on such variable consideration such as volume discounts, service level credits and price concessions. The OFSS group uses judgement to determine an appropriate standalone selling price for each performance obligation and allocates the transaction price to each performance obligation on the basis of the relative stand-alone selling price of each distinct product or service promised in the contract except for sale of software licenses, where the OFSS group uses a residual approach for estimating the standalone selling price of software license as the pricing is highly variable.

Contract fulfilment costs are generally expensed as incurred except for certain contract costs which meet the criteria for capitalization. Such costs are amortized over the benefit period. The assessment of this criteria requires the application of judgement.

(viii) Employee Benefit Trust

The Company had formed a Trust with name i-flex Employee Stock Option Trust ('The Trust') in the year 1998. The main object was to provide benefit to the employees through stock purchase scheme. The Trust was holding equity shares of the Company which have been sold during the previous years. The Trust funds would now be utilized for the benefit of the employees. However, as per the Trust deed, the Company may use its controlling power on certain activities of the Trust. Accordingly, the financial of the Trust are consolidated with the financials of the OFSS group.

Note 27: Capital commitments

Particulars	(Amounts in ₹ million)	
	March 31, 2024	March 31, 2023
Capital Commitments towards Property, Plant and Equipment		
Contracts remaining to be executed on capital account not provided for (net of advances)	265.31	66.97

Note 28: Leases

Where OFSS group is lessee

Finance lease

The changes in the carrying values of right-of-use assets for the year ended March 31, 2024 and March 31, 2023 are given in note 4. Set out below are the carrying amounts of lease liabilities and the movement during the year ended March 31, 2024 and March 31, 2023:

Particulars	(Amounts in ₹ million)	
	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	694.02	833.85
Modifications / additions	35.41	100.81
(Gain) on lease modification	(0.27)	(2.51)
Interest on lease liability	32.94	45.28
Repayments	(332.14)	(318.44)
Exchange impact	(0.35)	35.03
At the end of the year	429.61	694.02
Current	244.75	307.40
Non-Current	184.86	386.62
Total	429.61	694.02

The maturity analysis of undiscounted lease liabilities as at March 31, 2024 and March 31, 2023 are as follows:

Particulars	(Amounts in ₹ million)	
	As at March 31, 2024	As at March 31, 2023
Less than one year	260.43	336.33
1 to 5 years	187.85	403.93
More than 5 years	—	—
Total	448.28	740.26

The following amounts are recognized in the statement of profit and loss for the year ended March 31, 2024 and March 31, 2023:

Particulars	(Amounts in ₹ million)	
	March 31, 2024	March 31, 2023
Depreciation expenses on right-of-use assets	280.62	344.27
Interest expense on lease liability	32.94	45.28
Expense relating to short-term leases and other service charges (included in other operating expenses as rent)	96.46	94.16
Total	410.02	483.71
(Gain) on lease modification	(0.27)	(2.51)
Total	409.75	481.20

The OFSS group had total cash outflows for leases of ₹ 299.20 million (excluding interest) for the year ended March 31, 2024 (March 31, 2023 - ₹ 273.16 million). The OFSS group does not have any non-cash additions to right-of-use assets and lease liabilities for the year ended March 31, 2024. Further, there are no future cash outflows relating to leases that have not yet commenced.

There is no future income receivable from subleasing of right-of-use assets as at March 31, 2024 and March 31, 2023.

The minimum rental payments to be made in future in respect of short term leases to which the OFSS group has chosen to apply the practical expedient as per the standard as of March 31, 2024 and March 31, 2023 is as follows:

Particulars	(Amounts in ₹ million)	
	March 31, 2024	March 31, 2023
Less than 1 year	23.28	4.32
1 to 5 years	—	—
More than 5 years	—	—
Total	23.28	4.32

Note 29: Share based compensation / payments

a) Employee Stock Purchase Scheme (“ESPS”)

The Company had adopted the ESPS administered through a Trust with the name i-flex Employee Stock Option Trust (“the Trust”) to provide equity-based incentives to key employees of the Company. i-flex Solutions Trustee Company Ltd. is the Trustee of this Trust.

No allocation of shares to the employees have been made through the Trust since 2005 and all selected employees under the Trust have exercised their right of purchase of shares prior to March 31, 2014. In this regard, the Trustee Company had filed a petition in the Honorable Bombay High Court to seek directions for utilization of the remaining unallocated shares along with the other assets held by the Trust for the benefit of the employees of the Company. As per the order of the Honorable Bombay High Court dated August 1, 2016, the Trust funds would be utilized for the benefit of the employees. Accordingly, during the financial year, the Trust has incurred an expenditure of ₹ 145.55 million (March 31, 2023 - ₹ 61.14 million) towards welfare of employees of the Company.

As at March 31, 2024, the Trust is not holding any equity shares (March 31, 2023 - Nil equity shares) of the Company.

b) Employee Stock Option Plan (“ESOP”)

The Members of the Company at their Annual General Meeting held on August 14, 2001 had approved grant of ESOPs to the employees / directors of the Company and its subsidiaries up to 7.5% of the issued and paid-up capital of the Company from time to time. This said limit was enhanced and approved up to 12.5% of the issued and paid-up capital of the Company from time to time, by the Members at their Annual General Meeting held on August 18, 2011. This extended limit is an all-inclusive limit applicable for stock options (“options”) granted in the past and in force and those that will be granted by the Company in future.

Employees Stock Option Plan 2011 Scheme (“Scheme 2011”)

Pursuant to ESOP scheme approved by the shareholders of the Company in their meeting held on August 18, 2011, the Board of Directors approved the Scheme 2011. Accordingly, the Company has granted 1,950,500 options under the Scheme 2011. As per the Scheme 2011, each of 20% of the total options granted vest on completion of 12, 24, 36, 48 and 60 months from the date of grant.

A summary of the activity in the Company's ESOP (Scheme 2011) is as follows:

	Year ended March 31, 2024		Year ended March 31, 2023	
	Shares arising from options	Weighted average exercise price (₹)	Shares arising from options	Weighted average exercise price (₹)
Outstanding at beginning of year	92,373	3,077	214,108	3,102
Granted	-	-	-	-
Exercised	(48,073)	3,077	(24,965)	3,100
Forfeited/Lapsed	(44,300)	3,077	(96,770)	3,126
Outstanding at end of the year	-	N.A.	92,373	3,077
Vested options	-	-	92,373	-
Unvested options	-	-	-	-
Options vested during the year	-	-	-	-

Oracle Financial Services Software Limited Stock Plan 2014 (“OFSS Stock Plan 2014”)

Nomination and Remuneration Committee in their meeting held on August 7, 2014, approved OFSS Stock Plan 2014. Accordingly, the Company has granted 178,245 Stock Options and 1,719,811 OFSS Stock Units (“OSUs”) under OFSS Stock Plan 2014. The issuance terms of OSUs are the same as for options. Till March 2019, employees could elect to receive 1 OSU in lieu of 4 awarded options at their respective exercise price. In respect of the OFSS Stock Plan 2014, each of 25% of the total options / OSUs granted will vest on completion of 12, 24, 36 and 48 months from the date of grant.

A summary of the activity in the Company's ESOP (OFSS Stock Plan 2014) is as follows:

	Year ended March 31, 2024		Year ended March 31, 2023	
	Shares arising from options and OSUs	Weighted average exercise price (₹)	Shares arising from options and OSUs	Weighted average exercise price (₹)
Outstanding at beginning of year	746,021	462	619,586	647
Granted	254,781	5	281,387	5
Exercised	(226,404)	251	(125,749)	16
Forfeited	(65,558)	131	(29,203)	1,911
Outstanding at end of the year	708,840	396	746,021	462
Vested options and OSUs	195,152	-	251,994	-
Unvested options and OSUs	513,688	-	494,027	-
Options vested during the year	172,962	-	137,215	-

Any vesting is subject to continued employment of the employee with the Company or its subsidiaries. Options / OSUs have an exercise period of 10 years from the date of grant. The employee pays the exercise price and applicable taxes upon exercise of options / OSUs.

During the year ended March 31, 2024, the Company has granted 254,781 OSUs at an exercise price of ₹ 5 (March 31, 2023 - 281,387 OSUs at an exercise price of ₹ 5) under OFSS Stock Plan 2014. The weighted average share price for the year over which options / OSUs were exercised was ₹ 5,801 (March 31, 2023 - ₹ 3,181).

The details of total options / OSUs unvested and total options / OSUs vested and exercisable for OFSS Stock Plan 2014 as on March 31, 2024 are as follows:

	Exercise prices (₹)	Number of Options	Weighted average exercise price (₹)	Weighted average remaining contractual life (Years)
Options / OSUs unvested	5	513,688	5	8.7
Options / OSUs vested and exercisable	5	116,953	5	6.0
	3,241	19,748	3,241	1.0
	3,393	32,275	3,393	2.2
	3,579	4,038	3,579	3.2
	3,987	14,963	3,987	1.6
	4,158	7,175	4,158	4.2
		708,840	396	7.5

The details of total options / OSUs unvested and total options / OSUs vested and exercisable for both Scheme 2011 and OFSS Stock Plan 2014 as on March 31, 2023 are as follows:

	Exercise prices (₹)	Number of Options	Weighted average exercise price (₹)	Weighted average remaining contractual life (Years)
Options / OSUs unvested	5	494,027	5	8.7
Options / OSUs vested and exercisable	5	155,329	5	6.0
	3,077	92,373	3,077	0.5
	3,241	28,765	3,241	2.0
	3,393	36,700	3,393	3.2
	3,579	5,275	3,579	4.2
	3,987	17,300	3,987	2.6
	4,158	8,625	4,158	5.2
		838,394	750	6.6

Options / OSUs granted during the financial year ended March 31, 2024:

The weighted average fair value of options / OSUs granted during the year was ₹ 4,217 (March 31, 2023 - ₹ 3,053).

The Black Scholes valuation model has been used for computing the above weighted average fair value of options / OSUs granted considering the following inputs:

	Year Ended March 31, 2024				
	OFSS Stock Plan 2014 (OSU)				
	May, 2023	August, 2023	September, 2023	October, 2023	February, 2024
Weighted average share price (in ₹)	3,708	3,958	4,299	4,093	6,617
Exercise Price (in ₹)	5	5	5	5	5
Expected Volatility	25%	27%	28%	26%	32%
Weighted average life (in years)	2.92	3.16	3.26	3.16	3.16
Expected dividend rate	Nil	Nil	Nil	Nil	Nil
Average risk-free interest rate %	6.82%	7.02%	7.04%	7.19%	6.94%

	Year Ended March 31, 2023					
	OFSS Stock Plan 2014 (OSU)					
	May, 2022	August, 2022	September, 2022	October, 2022	November, 2022	December, 2022
Weighted average share price (in ₹)	3,517	3,342	3,037	2,965	2,947	3,023
Exercise Price (in ₹)	5	5	5	5	5	5
Expected Volatility	32%	31%	31%	30%	30%	29%
Weighted average life (in years)	2.92	2.92	3.26	2.92	2.92	2.92
Expected dividend rate	Nil	Nil	Nil	Nil	Nil	Nil
Average risk-free interest rate %	6.50%	6.55%	6.96%	7.11%	7.00%	6.88%

The expected volatility was determined based on historical volatility data; historical volatility includes early years of the Company's life; the Company expects the volatility of its share price to reduce as it matures.

Note 30: Defined benefits obligations

Defined contribution plans

During the year ended March 31, 2024 and March 31, 2023, the OFSS group contributed following amounts to defined contributions plans:

Particulars	(Amounts in ₹ million)	
	Year ended March 31, 2024	Year ended March 31, 2023
Provident fund	767.62	703.87
Superannuation fund	135.94	135.07
	903.56	838.94

Defined benefit plan – gratuity

The amounts recognized in the statement of profit and loss are as follows:

Particulars	(Amounts in ₹ million)	
	Year ended March 31, 2024	Year ended March 31, 2023
Current service cost	270.08	212.92
Past service cost	–	(49.05)
Interest cost, net	120.86	103.07
Total included in employee benefit expenses	390.94	266.94

Remeasurements recognized in other comprehensive income (OCI) are as follows:

Particulars	(Amounts in ₹ million)	
	Year ended March 31, 2024	Year ended March 31, 2023
Due to change in demographic assumptions	–	28.40
Due to change in financial assumptions	52.56	(101.62)
Due to change in experience adjustments	(136.93)	49.71
Return on plan assets (excl. Interest income)	0.09	0.45
Total re-measurements in OCI	(84.28)	(23.06)

The amounts recognized in the balance sheet are as follows:

Particulars	(Amounts in ₹ million)	
	As at March 31, 2024	As at March 31, 2023
Present value of unfunded obligations	2,012.29	1,777.56
Fair value of plan assets	(4.87)	(7.47)
Net liability	2,007.42	1,770.09
Current	153.93	143.91
Non-Current	1,853.49	1,626.18
Total	2,007.42	1,770.09

Changes in present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

Particulars	(Amounts in ₹ million)	
	Year ended March 31, 2024	Year ended March 31, 2023
Defined benefit obligation at beginning of the year	1,777.56	1,683.10
Current service cost	270.08	212.92
Past service cost	–	(49.05)
Interest cost	121.42	104.06
Effect of exchange rate changes	4.43	24.66
Benefits paid	(76.83)	(174.62)
Re-measurement		
- Due to change in demographic assumptions	–	28.40
- Due to change in financial assumptions	52.56	(101.62)
- Due to change in experience adjustments	(136.93)	49.71
Defined benefit obligation at end of the year	2,012.29	1,777.56

Changes in the fair value of plan assets representing reconciliation of opening and closing balances thereof are as follows:

Particulars	(Amounts in ₹ million)	
	Year ended March 31, 2024	Year ended March 31, 2023
Fair value of plan assets at beginning of the year	7.47	14.20
Interest income	0.56	0.99
(Return) on plan assets (excl. Interest income)	(0.09)	(0.45)
Contributions by employer	60.00	100.00
Benefits paid	(63.07)	(107.27)
Fair value of plan assets at end of the year	4.87	7.47

Plan assets are administered by LIC and HDFC Life.

The assumptions used in accounting for the gratuity plan are set out as below:

Particulars	March 31, 2024	March 31, 2023
Discount rate	4.90% - 7.20%	5.25% - 7.50%
Expected returns on plan assets	7.20%	7.50%
Salary escalation rate	2.00% - 8.00%	2.00% - 8.00%
Weighted average duration (years)	6 - 10	6 - 10

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotions and other relevant factors such as supply and demand in the employment market.

The OFSS group evaluates these assumptions annually based on its long-term plans of growth and industry standards. The discount rates are based on current market yields on government bonds consistent with the currency and estimated term of the post employment benefits obligations. Plan assets are administered by LIC and HDFC Life. The expected rate of return on plan assets is based on the expected average long term rate of return on investments of the fund during the terms of the obligation.

The maturity profile of defined benefit obligation is as follows:

Particulars	(Amounts in ₹ million)
Within 1 year	158.82
1 - 2 years	167.11
2 - 3 years	181.66
3 - 4 years	203.55
4 - 5 years	254.61
Next 5 years	1,619.51

A quantitative sensitivity analysis for significant assumptions on defined benefit obligation as at March 31, 2024 is as shown below:

Particulars	Sensitivity level	(Amounts in ₹ million)	
		Year ended March 31, 2024	Year ended March 31, 2023
Financial assumptions			
Discount rate	- 0.5%	2,103.29	1,857.38
	+ 0.5%	1,927.65	1,703.30
Salary escalation rate	- 0.5%	1,949.12	1,723.20
	+ 0.5%	2,076.89	1,832.76
Demographic assumptions			
Withdrawal rate	- 1%	2,011.77	1,771.11
	+ 1%	2,012.27	1,782.86

Note 31: Impairment testing of goodwill

Goodwill having indefinite lives and acquired through business combinations has been allocated to the two cash generating units (CGUs) below, which are also operating and reportable segments, for impairment testing:

1. Product licenses and related activities ('Products')
2. IT solutions and consulting services ('Services')

Carrying amount of goodwill allocated to each of the CGUs:

	(Amounts in ₹ million)	
	March 31, 2024	March 31, 2023
Products	5,861.99	5,861.99
Services	224.64	224.64
Total carrying value of goodwill	6,086.63	6,086.63

The OFSS group performed its annual impairment test for years ended March 31, 2024 and March 31, 2023 on respective balance sheet date. The recoverable amount of above CGUs exceeded their carrying amounts.

Products CGU

The recoverable amount of the Products CGU as at March 31, 2024 is determined based on a value in use calculation using projections covering a five-year period. The growth rate used to extrapolate the cash flows of the unit beyond the five-year period is 1% (March 31, 2023 - 1%). This growth rate is in line with the industry average growth rate. The pre-tax discount rate applied to the cash flow projections for impairment testing during the current year is 21.62% (March 31, 2023 - 18.40%).

Key assumptions used for value in use calculations

The calculation of value in use for Products CGU is most sensitive to the following assumptions:

- Operating margins
- Discount rates
- Growth rates used to extrapolate cash flows beyond the forecast period

Operating margins - Operating margins are based on average values achieved in the current financial year.

Discount rates - Discount rates represent the current market assessment of the risks specific to each CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and is derived from its weighted average cost of capital (WACC). Segment-specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data. Adjustments to the discount rate are made to factor in the specific amount and timing of the future tax flows in order to reflect a pre-tax discount rate.

Growth rate estimates - Rates are in line with the industry average growth rate.

Note 32: Financial risk management objectives and policies

The OFSS group activities expose it to market risks, liquidity risk and credit risks. The management oversees these risks and is aided by the Risk Management Committee whose scope is to formulate the risk management policy, which will identify elements of risk, if any which may affect the OFSS group.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk mainly comprises of foreign currency risk.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of monetary items will fluctuate because of changes in foreign exchange rates. This may have potential impact on the statement of profit and loss and other components of equity, where monetary items are denominated in a foreign currency which are different from functional currency in which they are measured. As of balance sheet date, the OFSS group's net foreign currency exposure expressed in INR that is not hedged is ₹ 2,630.44 million (March 31, 2023 - ₹ 1,332.90 million).

Following are the carrying amounts of foreign currency denominated monetary items (net) of OFSS group where it has significant exposure as at the balance sheet date:

	(Amounts in ₹ million)	
Currency	March 31, 2024	March 31, 2023
USD	461.12	1,075.63
SGD	(377.32)	(434.40)
GBP	(281.01)	(114.29)
EUR	1,013.25	(334.18)
AUD	(339.18)	(150.66)

The OFSS group manages its foreign currency risk by hedging the receivables in the major currencies (USD, EUR, AUD, GBP and JPY) using hedging instrument as forward contracts. The period of the forward contracts is determined by the expected collection period for invoices which currently ranges between 30 to 120 days.

Foreign currency sensitivity

The table below demonstrates sensitivity impact on OFSS group's profit after tax and total equity due to change in foreign exchange rates of currencies where it has significant exposure:

	(Amounts in ₹ million)			
Currency	March 31, 2024		March 31, 2023	
	+1%	-1%	+1%	-1%
USD	73.32	(73.32)	64.73	(64.73)
SGD	0.87	(0.87)	(2.18)	2.18
GBP	3.56	(3.56)	1.39	(1.39)
EUR	18.68	(18.68)	(3.76)	3.76
AUD	5.34	(5.34)	2.50	(2.50)

The above sensitivity impact gain (loss) is due to every percentage point appreciation or depreciation in the exchange rate of respective currencies, with all other variables held constant. Sensitivity impact is computed based on change in value of monetary assets and liabilities denominated in above respective currency, where the functional currency of the entity is a currency other than above respective currency and entities with functional currency as above respective currency where transactions are in foreign currencies. The OFSS group's exposure to foreign currency changes for all other currencies is not material.

(b) Liquidity risk

Liquidity risk management implies maintaining sufficient availability of funds to meet obligations when due and to close out market positions. The OFSS group monitors rolling forecast of the cash and cash equivalent on the basis of expected cash flows.

The table below summarizes the maturity profile of the OFSS group's financial liabilities:

(Amounts in ₹ million)			
Particulars	Less than One year	More than One year	Total
As at March 31, 2024			
Lease liability	260.43	187.85	448.28
Trade payable	1,020.31	–	1,020.31
Accrued compensation to employees	1,112.67	20.85	1,133.52
Accrued Expenses	1,219.49	–	1,219.49
Capital creditors	58.55	–	58.55
Advance from customers	41.24	–	41.24
Unpaid dividends	37.96	–	37.96
Foreign exchange forward contract, net	8.59	–	8.59
	3,759.24	208.70	3,967.94

(Amounts in ₹ million)			
Particulars	Less than One year	More than One year	Total
As at March 31, 2023			
Lease liability	336.33	403.93	740.26
Trade payable	381.14	–	381.14
Accrued compensation to employees	1,057.64	18.48	1,076.12
Accrued Expenses	995.89	–	995.89
Capital creditors	47.71	–	47.71
Advance from customers	93.18	–	93.18
Unpaid dividends	38.05	–	38.05
Foreign exchange forward contract, net	1.63	–	1.63
	2,951.57	422.41	3,373.98

The OFSS group has sufficient funds in cash and cash equivalent and other bank balances to meet obligations towards financial liabilities.

(c) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The OFSS group is exposed to credit risk from its operating activities (primarily trade receivables, including receivables from related parties) and from its finance activities, including time deposits with banks, foreign exchange transactions and other financial instruments.

Trade receivables

Customer credit risk is managed in line with the established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. The OFSS group's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on regional historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 7. As at March 31, 2024, the single customer group contributes 49% of trade receivables.

Cash and bank balances

Credit risk from balances with banks is managed by the OFSS group's treasury department in accordance with the OFSS group's policy. Investments of surplus funds are made only with existing Bankers and within credit limits assigned to each banker.

The OFSS group follows a conservative philosophy and aims to invest surplus funds in time deposits mainly in India with well-known and highly rated banks and money market funds in United States. The duration of such time deposits will not exceed 364 days. The OFSS group, on quarterly basis, monitors the credit ratings and total deposit balances of each of its bankers. The OFSS group's investment in Money market funds are in accordance with OFSS group investment policy. Further limits are set to minimize the concentration of risks and therefore mitigate financial loss of any potential failure to repay deposits and money market funds.

Note 33: Capital management

For the purpose of the OFSS group's capital management, capital includes issued equity share capital, share premium and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the OFSS group's capital management is to maximize the equity shareholder value.

The OFSS group manages its capital structure and makes adjustments in light of changes in economic conditions and other financial requirements.

Note 34: Derivative instruments

The Company enters into forward foreign exchange contracts where the counter party is a bank. The Company purchases forward foreign exchange contracts to mitigate the risks of change in foreign exchange rate on receivables denominated in certain foreign currencies. The Company considers the risk of non-performance by the counter party as non-material.

As at March 31, 2024 the Company has following outstanding derivative instrument:

Particulars	(Amounts in million)	
	March 31, 2024	March 31, 2023
Forward contracts – Sell in USD	USD 88.60	USD 70.80
Forward contracts – Sell in AUD	AUD 11.22	AUD 7.60
Forward contracts – Sell in EUR	EUR 14.60	EUR 13.10
Forward contracts – Sell in JPY	JPY 505.00	JPY 409.00
Forward contracts – Sell in GBP	GBP 3.40	GBP 2.40

Note 35: Code on Social Security

The Code on Social Security, 2020 ("Code") relating to employee benefits during the employment and post-employment benefits has been published in the Gazette of India on September 29, 2020. The Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. The effective date from which these changes are applicable is yet to be notified. The Company will assess and record the impact, if any, when the rules are notified, and the code becomes effective.

Note 36: Corporate Social Responsibility ('CSR') expenditure

As per the requirements of Section 135 of the Companies Act, 2013 the OFSS group is required to spend at least 2% of its average net profit for the immediately preceding three financial years on CSR activities.

Particulars	(Amounts in ₹ million)	
	Year ended March 31, 2024	Year ended March 31, 2023
Amount required to be spent by the OFSS group during the year	482.49	457.64
Excess amount paid in the previous financial year adjusted in current financial year	25.80	9.82
Net amount required to be spent during the year	456.69	447.82
Amount spent by the OFSS group during the year	486.68	473.62
Excess amount carried forward for set off against CSR spends in the next financial year	29.99	25.80
Nature of CSR activities	Promoting education and strengthening water, sanitation and hygiene (WASH) infrastructure.	

Note 37: Net equity dividend remitted in foreign exchange

Year of remittance (ending on)	March 31, 2024	March 31, 2023
Period to which it relates	March 31, 2023	March 31, 2022
Number of non-resident shareholders	1	2
Number of equity shares on which dividend was due	63,051,197	63,051,822
Amount remitted (in USD million)	163.62	146.69
Amount remitted (in AUD million)#	–	0.00
Amount remitted (in ₹ million) (net of TDS ₹ 709.33 million; March 31, 2023 - ₹ 599.01 million)	13,477.19	11,380.84

#Represents amount less than AUD 0.01 million

Note 38: Tax litigations

As at March 31, 2024, the OFSS group has certain litigations with respect to tax matters for various assessment years amounting to ₹ 28,496.64 million (March 31, 2023 - ₹ 24,434.24 million), which are pending before various appellate / tax authorities. The management expects that its position will be upheld on ultimate resolution and the possibility of any outflow of resources is remote. Demand of tax payable after adjusting taxes paid under protest and refunds amounts to ₹ 21,119.17 million (March 31, 2023 - ₹ 16,678.50 million) as at March 31, 2024. Further for certain litigations the OFSS group has aggregate provisions of ₹ 278.54 million (March 31, 2023 - ₹ 874.15 million) as at March 31, 2024.

Note 39: Fair values

The management has assessed that fair value of financial instruments approximates their carrying amounts largely due to the short term maturities of these instruments.

The carrying value and fair value of financial instruments by categories as at March 31, 2024 and March 31, 2023 are as follows:

(Amounts in ₹ million)

	As at March 31, 2024				As at March 31, 2023			
	Amortized cost	Fair value through profit or loss	Carrying value	Fair value	Amortized cost	Fair value through profit or loss	Carrying value	Fair value
Assets								
Trade receivables	13,193.07	–	13,193.07	13,193.07	10,833.73	–	10,833.73	10,833.73
Cash and cash equivalents	34,832.58	–	34,832.58	34,832.58	20,400.79	–	20,400.79	20,400.79
Other bank balances	20,549.30	–	20,549.30	20,549.30	34,296.57	–	34,296.57	34,296.57
Other financial assets	4,962.23	–	4,962.23	4,962.23	3,712.80	–	3,712.80	3,712.80
	73,537.18	–	73,537.18	73,537.18	69,243.89	–	69,243.89	69,243.89
Liabilities								
Lease liabilities	429.61	–	429.61	429.61	694.02	–	694.02	694.02
Trade payables	1,020.31	–	1,020.31	1,020.31	381.14	–	381.14	381.14
Derivatives not designated as hedges	–	8.59	8.59	8.59	–	1.63	1.63	1.63
Other financial liabilities	2,490.76	–	2,490.76	2,490.76	2,250.95	–	2,250.95	2,250.95
	3,940.68	8.59	3,949.27	3,949.27	3,326.11	1.63	3,327.74	3,327.74

Fair value hierarchy:

The following table provides the fair value measurement hierarchy of the OFSS group's assets and liabilities.

Fair value measurement hierarchy for assets and liabilities as at March 31, 2024:

(Amounts in ₹ million)

	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets for which fair values are disclosed:					
Investment property [Refer note 5]	March 31, 2024	250.00	–	250.00	–
Liabilities measured at fair value:					
Foreign exchange forward contract, net [Refer note 13]	March 31, 2024	8.59	–	8.59	–

Fair value measurement hierarchy for assets and liabilities as at March 31, 2023:

(Amounts in ₹ million)

	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets for which fair values are disclosed:					
Investment property [Refer note 5]	March 31, 2023	247.00	–	247.00	–
Liabilities measured at fair value:					
Foreign exchange forward contract, net [Refer note 13]	March 31, 2023	1.63	–	1.63	–

The following methods and assumptions are used to estimate the fair values:

The OFSS group enters into derivative financial instruments with various banks. Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies.

There have been no transfers between Level 1 and Level 2 during the periods March 31, 2024 and March 31, 2023.

Note 40: Summary of net assets and share in profit or loss of the group

March 31, 2024

Name of the Entity	Net Assets	%	Share in Profit or (loss)	%	Share in other comprehensive income	%	Share in total comprehensive income	%
Parent								
Oracle Financial Services Software Limited	61,844.81	79%	20,279.19	91%	68.63	64%	20,347.82	91%
Subsidiaries								
Indian								
Oracle (OFSS) Processing Services Limited	262.79	0%	123.73	1%	–	0%	123.73	1%
Oracle (OFSS) BPO Services Limited	445.37	1%	158.64	1%	0.52	0%	159.16	1%
Oracle (OFSS) ASP Private Limited	44.92	0%	1.29	0%	–	0%	1.29	0%
Mantas India Private Limited	24.02	0%	1.09	0%	–	0%	1.09	0%
Foreign								
Oracle Financial Services Software B.V.	1,693.72	2%	(20.70)	0%	25.97	24%	5.27	0%
Oracle Financial Services Software SA	216.41	0%	81.05	0%	4.86	5%	85.91	0%
Oracle Financial Services Software Pte. Ltd.	358.82	0%	1.03	0%	(68.71)	(63%)	(67.68)	0%
Oracle Financial Services Consulting Pte. Ltd.	(258.29)	0%	(0.19)	0%	–	0%	(0.19)	0%
Oracle Financial Services Software America, Inc.	11,520.64	15%	1.43	0%	165.46	154%	166.89	1%
Oracle Financial Services Software, Inc.	16,361.13	21%	1,937.66	8%	219.70	204%	2,157.36	9%
Mantas Inc.	233.28	0%	0.01	0%	3.35	3%	3.36	0%
Sotas Inc.	–	0%	0.06	0%	–	0%	0.06	0%
ISP Internet Mauritius Company	432.22	1%	5.24	0%	–	0%	5.24	0%
Oracle (OFSS) BPO Services Inc.	(766.35)	(1%)	(26.53)	0%	(10.41)	(10%)	(36.94)	0%
Oracle Financial Services Software Chile Limitada	591.43	1%	(10.21)	0%	(132.21)	(123%)	(142.42)	(1%)
Oracle Financial Services Software (Shanghai) Limited	185.00	0%	(9.62)	0%	(7.55)	(7%)	(17.17)	0%
Controlled trust								
Indian								
i-flex Employee Stock Option Trust	905.08	1%	(106.84)	(0%)	–	0%	(106.84)	0%
	94,095.00	120%	22,416.33	101%	269.61	251%	22,685.94	102%
Adjustments arising out of consolidation	(15,506.59)	(20%)	(222.71)	(1%)	(161.87)	(151%)	(384.58)	(2%)
Total	78,588.41	100%	22,193.62	100%	107.74	100%	22,301.36	100%

March 31, 2023

Name of the Entity	Net Assets	%	Share in Profit or (loss)	%	Share in other comprehensive income	%	Share in total comprehensive income	%
Parent								
Oracle Financial Services Software Limited	60,054.18	81%	17,725.08	98%	39.78	4%	17,764.86	93%
Subsidiaries								
Indian								
Oracle (OFSS) Processing Services Limited	139.06	0%	52.06	0%	0.65	0%	52.71	0%
Oracle (OFSS) BPO Services Limited	280.72	0%	8.39	0%	1.09	0%	9.48	0%
Oracle (OFSS) ASP Private Limited	43.63	0%	0.79	0%	–	0%	0.79	0%
Mantas India Private Limited	22.93	0%	0.74	0%	–	0%	0.74	0%
Foreign								
Oracle Financial Services Software BV.	1,649.42	2%	5.95	0%	151.37	14%	157.32	1%
Oracle Financial Services Software SA	129.54	0%	(27.91)	0%	16.53	1%	(11.38)	0%
Oracle Financial Services Software Pte. Ltd.	310.15	0%	(28.15)	0%	(153.76)	(14%)	(181.91)	(1%)
Oracle Financial Services Consulting Pte. Ltd.	(258.10)	0%	(0.25)	0%	0.70	0%	0.45	0%
Oracle Financial Services Software America, Inc.	11,353.75	15%	18.41	0%	885.16	80%	903.57	5%
Oracle Financial Services Software, Inc.	14,107.03	19%	1,437.71	8%	1,037.40	94%	2,475.11	13%
Mantas Inc.	229.92	0%	18.19	0%	18.34	2%	36.53	0%
Sotas Inc.	–	0%	0.37	0%	1.79	0%	2.16	0%
ISP Internet Mauritius Company	426.98	1%	29.11	0%	–	0%	29.11	0%
Oracle (OFSS) BPO Services Inc.	(729.43)	(1%)	(6.93)	0%	(55.80)	(5%)	(62.73)	0%
Oracle Financial Services Software Chile Limitada	730.67	1%	23.32	0%	56.80	5%	80.12	0%
Oracle Financial Services Software (Shanghai) Limited	202.17	0%	3.48	0%	0.44	0%	3.92	0%
Controlled trust								
Indian								
i-flex Employee Stock Option Trust	1,011.92	1%	(35.25)	(0%)	–	0%	(35.25)	0%
	89,704.54	119%	19,225.11	106%	2,000.49	181%	21,225.60	111%
Adjustments arising out of consolidation	(15,115.47)	(19%)	(1,163.70)	(6%)	(896.29)	(81%)	(2,059.99)	(11%)
Total	74,589.07	100%	18,061.41	100%	1,104.20	100%	19,165.61	100%

Note 41: Names of related parties and description of relationship:

Relationship	Names of related parties
(i) Related parties where control exists	
Ultimate Holding Company	Oracle Corporation
Holding Company	Oracle Global (Mauritius) Limited
(ii) Related parties with whom transactions have taken place during the year	
Fellow Subsidiaries	Oracle America, Inc. Oracle Austria GmbH Oracle Argentina S.R.L. Oracle Belgium B.V.B.A/SPRL. Oracle Bilgisayar Sistemleri Limited Sirketi Oracle Canada ULC Oracle Caribbean, Inc. Oracle (China) Software Systems Company Limited Oracle Colombia Limitada Oracle Consulting Kazakhstan LLP Oracle Corporation (Thailand) Company Limited Oracle Corporation Australia Pty Limited Oracle Corporation Japan Oracle Corporation Malaysia Sdn. Bhd. Oracle Corporation Singapore Pte Ltd. Oracle Corporation (South Africa) (Proprietary) Limited Oracle Corporation UK Limited Oracle Czech s.r.o. Oracle de Centroamerica, S.A. Oracle de Mexico, S.A. de C.V. Oracle Deutschland B.V & Co. KG Oracle Do Brasil Sistemas Limitada Oracle East Central Europe Limited Oracle East Central Europe Services B.V. Oracle Egypt Ltd. Oracle EMEA Limited Oracle France, S.A.S. Oracle Global Services Limited Oracle Global Services Canada ULC Oracle Global Services France SARL Oracle Global Services Singapore Pte. Ltd. Oracle Global Services Netherlands BV Oracle Global Services Japan GK Oracle Hardware JSC Oracle Hrvatska d.o.o. Oracle Hellas, S.A. Oracle Information Technology Service (Shenzhen) Co., Ltd. Oracle Iberica, S.R.L. Oracle Hungary Kft. Oracle Italia S.r.l. Oracle India Private Limited Oracle Korea Ltd. Oracle Luxembourg S.a.r.l. Oracle Nederland B.V. Oracle New Zealand Oracle Norge AS Oracle (Philippines) Corporation Oracle Polska, Sp.z.o.o. Oracle Portugal - Sistemas de Informacao Lda. Oracle Research and Development Center, Beijing, Ltd. Oracle Romania SRL Oracle Slovensko spol. s.r.o.

Relationship	Names of related parties Oracle Software (Schweiz) GmbH Oracle Solution Services (India) Private Ltd. Oracle Srbija & Crna Gora d.o.o. Oracle Svenska AB Oracle Systems Hong Kong Limited Oracle Systems Limited Oracle Systems Pakistan (Private) Limited Oracle Technology Systems (Ghana) Limited Company Oracle Taiwan LLC Oracle Technology Systems (Kenya) Limited Oracle Vietnam Pte. Ltd. Oracle (QFC) Systems LLC NetSuite Ireland Limited PT Oracle Indonesia Sistemas Oracle de Chile Limitada Sistemas Oracle del Peru S.R.L.
(iii) Key Managerial Personnel ('KMP')	Chaitanya Kamat - Managing Director and Chief Executive Officer (till October 4, 2023) Makarand Padalkar - Whole-time Director & Chief Financial Officer (till October 4, 2023) Makarand Padalkar - Managing Director and Chief Executive Officer (from October 5, 2023) Avadhut Ketkar - Chief Financial Officer (from October 5, 2023) Onkarnath Banerjee - Company Secretary & Compliance Officer
(iv) Independent Directors	S Venkatachalam (till March 31, 2024) Richard Jackson (till March 31, 2024) Sridhar Srinivasan Mrugank Paranjape (from December 4, 2023) Jane Murphy

Transactions and balances outstanding with these parties are described below:

(Amounts in ₹ million)

Particulars	Transaction		Amount receivable (payable)	
	Year ended March 31, 2024	Year ended March 31, 2023	As at March 31, 2024	As at March 31, 2023
Revenue				
Fellow subsidiaries				
Oracle America, Inc.	7,054.66	6,233.54	1,065.58	1,117.31
Oracle Austria GmbH	11.76	27.24	2.88	3.05
Oracle Argentina S.R.L.	0.95	1.30	1.51	–
Oracle Belgium B.V.B.A/SPRL.	31.72	45.64	4.92	10.43
Oracle Bilgisayar Sistemleri Limited Sirketi	21.89	3.68	7.71	1.00
Oracle Canada ULC	2,678.01	1,770.93	440.14	129.97
Oracle Caribbean, Inc.	303.47	284.05	40.29	32.23
Oracle (China) Software Systems Company Limited	57.24	60.10	4.45	28.30
Oracle Colombia Limitada	148.00	193.19	14.35	30.40
Oracle Consulting Kazakhstan LLP	–	1.41	–	–
Oracle Corporation Japan	1,835.50	2,837.07	159.27	269.77
Oracle Corporation (South Africa) (Proprietary) Limited	543.44	599.83	75.65	97.01
Oracle Corporation (Thailand) Company Limited	695.74	380.64	159.56	102.35
Oracle Corporation Australia Pty Limited	2,933.44	3,141.71	409.83	467.41
Oracle Corporation Malaysia Sdn. Bhd.	497.75	456.14	32.22	111.30
Oracle Corporation Singapore Pte Ltd.	1,390.14	935.40	262.62	173.69
Oracle Corporation UK Limited	1,657.70	966.80	216.10	138.00

(Amounts in ₹ million)

Particulars	Transaction		Amount receivable (payable)	
	Year ended March 31, 2024	Year ended March 31, 2023	As at March 31, 2024	As at March 31, 2023
Oracle Czech s.r.o.	143.48	281.47	13.75	124.00
Oracle de Centroamerica, S.A.	136.83	102.61	14.66	13.80
Oracle de Mexico, S.A. de C.V.	35.02	24.99	8.33	3.78
Oracle Deutschland BV & Co. KG	25.02	37.45	4.87	6.60
Oracle Do Brasil Sistemas Limitada	186.10	128.55	26.89	27.19
Oracle East Central Europe Limited	427.36	344.33	40.70	46.70
Oracle East Central Europe Services B.V.	–	–	0.78	–
Oracle EMEA Limited	13.04	6.11	1.53	1.61
Oracle Egypt Ltd.	587.79	715.06	791.97	425.35
Oracle France, S.A.S.	107.56	93.62	24.45	19.53
Oracle Hellas, S.A.	207.40	198.61	42.13	44.13
Oracle Hrvatska d.o.o.	1.27	0.96	0.35	0.06
Oracle Hungary Kft.	152.57	48.13	9.74	5.97
Oracle Iberica, S.R.L.	217.33	258.05	26.24	18.99
Oracle India Private Limited	822.39	512.40	148.88	159.49
Oracle Italia S.r.l.	560.40	307.86	122.59	56.39
Oracle Korea Ltd.	28.98	25.65	1.73	3.62
Oracle Luxembourg S.a.r.l.	29.40	25.17	4.95	4.66
Oracle (QFC) Systems LLC	146.31	31.29	19.58	9.93
Oracle Nederland B.V.	249.02	194.37	53.10	32.72
Oracle New Zealand	380.05	203.92	21.23	39.63
Oracle Norge AS	59.65	25.53	6.59	2.89
Oracle (Philippines) Corporation	231.39	123.94	24.48	13.91
Oracle Polska, Sp.z.o.o.	8.09	46.94	2.05	0.67
Oracle Portugal - Sistemas de Informacao Lda.	89.04	49.52	29.42	12.18
Oracle Slovensko spol. s.r.o.	80.64	82.78	24.62	6.75
Oracle Srbija & Crna Gora d.o.o.	482.43	413.26	91.99	122.56
Oracle Systems Hong Kong Limited	376.82	423.42	24.50	42.54
Oracle Systems Limited	2,037.77	1,918.34	772.54	609.98
Oracle Systems Pakistan (Private) Limited	403.76	489.64	493.02	345.82
Oracle Svenska AB	23.08	47.67	3.74	13.30
Oracle Software (Schweiz) GmbH	104.14	19.71	4.84	3.13
Oracle Taiwan LLC	924.82	531.81	677.94	223.50
Oracle Technology Systems (Kenya) Limited	287.03	243.48	55.53	118.18
Oracle Vietnam Pte. Ltd.	495.72	362.55	319.55	155.55
PT Oracle Indonesia	471.42	180.39	67.47	37.11
Oracle Romania SRL	556.72	457.00	96.02	73.78
Sistemas Oracle de Chile Limitada	315.33	322.25	68.22	72.44
Sistemas Oracle del Peru S.R.L.	41.35	46.85	6.93	3.59
Impairment allowance				
Fellow subsidiaries				
Oracle America, Inc.	14.50	2.22	(17.10)	(2.60)
Oracle (Philippines) Corporation	0.07	(0.36)	(0.19)	(0.12)
Oracle Austria GmbH	(0.14)	0.23	(0.94)	(1.08)
Oracle Belgium B.V.B.A/SPRL.	(0.15)	0.22	(0.07)	(0.22)
Oracle (China) Software Systems Company Limited	(0.09)	0.07	–	(0.09)
Oracle Canada ULC	(1.12)	1.16	(0.10)	(1.22)
Oracle Caribbean, Inc.	2.68	0.05	(2.74)	(0.06)

(Amounts in ₹ million)

Particulars	Transaction		Amount receivable (payable)	
	Year ended March 31, 2024	Year ended March 31, 2023	As at March 31, 2024	As at March 31, 2023
Oracle Colombia Limitada	2.13	1.92	(4.06)	(1.93)
Oracle Corporation (South Africa) (Proprietary) Limited	1.22	(1.25)	(1.98)	(0.76)
Oracle Corporation (Thailand) Company Limited	0.11	0.84	(0.99)	(0.88)
Oracle Corporation Australia Pty Limited	(0.33)	2.06	(1.96)	(2.29)
Oracle Corporation Japan	(1.04)	2.44	(1.62)	(2.66)
Oracle Corporation Malaysia Sdn. Bhd.	(0.66)	0.99	(0.38)	(1.04)
Oracle Corporation Singapore Pte Ltd.	3.43	1.34	(4.83)	(1.40)
Oracle Corporation UK Limited	0.77	0.99	(1.86)	(1.09)
Oracle Czech s.r.o.	(0.37)	0.78	(0.42)	(0.79)
Oracle de Centroamerica, S.A.	0.05	0.03	(0.08)	(0.03)
Oracle de Mexico, S.A. de C.V.	0.07	0.01	(0.08)	(0.01)
Oracle Deutschland B.V & Co. KG	(0.10)	0.15	(0.05)	(0.15)
Oracle Do Brasil Sistemas Limitada	0.31	(0.15)	(0.34)	(0.03)
Oracle East Central Europe Limited	(0.83)	2.67	(1.89)	(2.72)
Oracle East Central Europe Services B.V.	0.01	(0.05)	(0.01)	–
Oracle Egypt Ltd.	335.50	135.73	(472.26)	(136.76)
Oracle France, S.A.S.	(0.19)	(2.23)	(0.23)	(0.42)
Oracle Hardware JSC	–	(5.91)	–	–
Oracle Hellas, S.A.	(1.67)	1.91	(0.36)	(2.03)
Oracle Hrvatska d.o.o.	0.05	–	(0.05)	–
Oracle Hungary Kft.	0.04	0.10	(0.14)	(0.10)
Oracle Iberica, S.R.L.	(1.29)	1.95	(0.67)	(1.96)
Oracle India Private Limited	1.11	(1.52)	(1.80)	(0.69)
Oracle Italia S.r.l.	2.94	0.28	(3.23)	(0.29)
Oracle Korea Ltd.	0.27	0.03	(0.30)	(0.03)
Oracle Luxembourg S.a.r.l.	0.14	0.03	(0.17)	(0.03)
Oracle Nederland B.V.	1.50	(0.59)	(1.74)	(0.24)
Oracle New Zealand	0.32	0.22	(0.55)	(0.23)
Oracle (QFC) Systems LLC	(0.03)	0.12	(0.09)	(0.12)
Oracle Portugal - Sistemas de Informacao Lda.	0.39	0.02	(0.43)	(0.04)
Oracle Romania SRL	1.73	0.52	(2.27)	(0.54)
Oracle Polska, Sp.z.o.o.	(0.57)	0.59	(0.02)	(0.59)
Oracle Norge AS	0.19	0.06	(0.25)	(0.06)
Oracle Srbija & Crna Gora d.o.o.	5.59	(22.17)	(6.94)	(1.35)
Oracle Slovensko spol. s.r.o.	0.01	0.53	(0.54)	(0.53)
Oracle Software (Schweiz) GmbH	0.10	0.02	(0.13)	(0.03)
Oracle Svenska AB	0.08	(0.23)	(0.14)	(0.06)
Oracle Systems Hong Kong Limited	0.17	0.46	(0.65)	(0.48)
Oracle Systems Limited	2.13	(1.44)	(5.73)	(3.60)
Oracle Systems Pakistan (Private) Limited	35.82	42.39	(78.23)	(42.41)
Oracle Taiwan LLC	14.82	2.20	(17.05)	(2.23)
Oracle Technology Systems (Kenya) Limited	0.61	0.05	(0.66)	(0.05)
Oracle Vietnam Pte. Ltd.	4.78	0.78	(5.59)	(0.81)
PT Oracle Indonesia	0.60	0.26	(0.87)	(0.27)
Oracle EMEA Limited	0.01	–	(0.01)	–
Oracle Bilgisayar Sistemleri Limited Sirketi	0.12	–	(0.12)	–
Oracle Argentina S.R.L.	0.27	–	(0.27)	–
Sistemas Oracle del Peru S.R.L.	1.55	–	(1.55)	–
Sistemas Oracle de Chile Limitada	15.36	0.09	(15.46)	(0.10)

(Amounts in ₹ million)

Particulars	Transaction		Amount receivable (payable)	
	Year ended March 31, 2024	Year ended March 31, 2023	As at March 31, 2024	As at March 31, 2023
Bad debts				
Fellow subsidiaries				
Oracle Hardware JSC	–	7.82	–	–
Oracle Systems Pakistan (Private) Limited	35.33	–	–	–
Oracle Hellas, S.A.	2.89	–	–	–
Oracle Egypt Ltd.	34.29	–	–	–
Advance received from Customers				
Fellow subsidiaries				
Oracle America, Inc.	0.01	0.06	(0.86)	(0.85)
Oracle Systems Limited	–	(36.83)	–	–
Deferred Revenue				
Fellow subsidiaries				
Oracle America, Inc.	–	–	(118.59)	(107.97)
Oracle Caribbean, Inc.	–	–	(4.14)	(3.66)
Oracle Colombia Limitada	–	–	(13.66)	(20.74)
Oracle France, S.A.S.	–	–	(3.81)	(0.27)
Oracle (Philippines) Corporation	–	–	(6.56)	(3.32)
Oracle Portugal - Sistemas de Informacao Lda.	–	–	–	(1.56)
Oracle Systems Limited	–	–	(12.57)	–
Oracle Technology Systems (Kenya) Limited	–	–	–	(8.41)
Oracle Software (Schweiz) GmbH	–	–	(0.21)	(0.37)
Oracle Slovensko spol. s.r.o.	–	–	(5.54)	(7.83)
Oracle Vietnam Pte. Ltd.	–	–	–	(11.16)
Oracle Corporation Japan	–	–	(0.16)	(23.30)
Oracle Corporation Malaysia Sdn. Bhd.	–	–	–	(18.62)
Oracle Deutschland BV & Co. KG	–	–	–	(0.36)
Oracle East Central Europe Limited	–	–	–	(9.71)
Oracle Hungary Kft.	–	–	(11.97)	(12.37)
Oracle Korea Ltd.	–	–	(2.60)	(6.24)
Oracle New Zealand	–	–	(13.90)	(6.91)
Oracle Systems Hong Kong Limited	–	–	(1.51)	(5.94)
Oracle Taiwan LLC	–	–	–	(5.44)
Oracle EMEA Limited	–	–	–	(3.34)
Oracle Austria GmbH	–	–	(0.30)	–
Oracle Hrvatska d.o.o.	–	–	(0.19)	–
Oracle Corporation Singapore Pte Ltd.	–	–	(2.85)	–
Oracle de Mexico, S.A. de C.V.	–	–	(0.73)	–
Sistemas Oracle del Peru S.R.L.	–	–	(3.14)	–
Oracle Egypt Ltd.	–	–	(5.23)	–
Oracle (QFC) Systems LLC	–	–	(8.25)	(11.77)
Sistemas Oracle de Chile Limitada	–	–	–	(0.31)
Unbilled revenue				
Fellow subsidiaries				
Oracle America, Inc.	–	–	467.77	472.46
Oracle Austria GmbH	–	–	0.65	1.53
Oracle Argentina S.R.L.	–	–	0.27	1.88
Oracle Belgium B.V.B.A/SPRL.	–	–	1.88	3.39

(Amounts in ₹ million)

Particulars	Transaction		Amount receivable (payable)	
	Year ended March 31, 2024	Year ended March 31, 2023	As at March 31, 2024	As at March 31, 2023
Oracle Bilgisayar Sistemleri Limited Sirketi	–	–	0.24	1.61
Oracle (China) Software Systems Company Limited	–	–	3.63	1.63
Oracle Canada ULC	–	–	401.75	162.44
Oracle Caribbean, Inc.	–	–	51.82	99.85
Oracle Colombia Limitada	–	–	10.47	15.62
Oracle Consulting Kazakhstan LLP	–	–	–	1.06
Oracle Corporation (South Africa) (Proprietary) Limited	–	–	127.06	59.96
Oracle Corporation (Thailand) Company Limited	–	–	59.92	22.16
Oracle Corporation Australia Pty Limited	–	–	249.46	160.25
Oracle Corporation Japan	–	–	179.13	169.07
Oracle Corporation Malaysia Sdn. Bhd.	–	–	91.73	44.52
Oracle Corporation Singapore Pte Ltd.	–	–	88.04	129.39
Oracle Corporation UK Limited	–	–	665.84	51.77
Oracle Czech s.r.o.	–	–	7.75	18.28
Oracle de Centroamerica, S.A.	–	–	33.18	16.97
Oracle Deutschland B.V & Co. KG	–	–	2.03	4.68
Oracle East Central Europe Limited	–	–	92.40	18.96
Oracle de Mexico, S.A. de C.V.	–	–	2.37	2.42
Oracle do Brasil Sistemas Limitada	–	–	27.13	30.73
Oracle France, S.A.S.	–	–	9.26	7.43
Oracle Egypt Ltd.	–	–	282.74	180.82
Oracle Hellas, S.A.	–	–	20.35	17.85
Oracle Hrvatska d.o.o.	–	–	–	0.38
Oracle Hungary Kft.	–	–	5.09	4.18
Oracle Iberica, S.R.L.	–	–	34.98	12.98
Oracle India Private Limited	–	–	131.47	97.59
Oracle Italia S.r.l.	–	–	38.73	40.39
Oracle Korea Ltd.	–	–	7.77	–
Oracle Luxembourg S.a.r.l.	–	–	2.51	2.40
Oracle Nederland B.V.	–	–	44.13	18.91
Oracle New Zealand	–	–	155.53	9.67
Oracle Norge AS	–	–	4.31	0.01
Oracle (Philippines) Corporation	–	–	93.79	64.64
Oracle Portugal - Sistemas de Informacao Lda.	–	–	8.68	5.45
Oracle Srbija & Crna Gora d.o.o.	–	–	40.89	48.01
Oracle Romania SRL	–	–	52.17	50.23
Oracle Slovensko spol. s.r.o.	–	–	5.45	9.63
Oracle Software (Schweiz) GmbH	–	–	3.97	–
Oracle Svenska AB	–	–	3.80	6.96
Oracle Systems Hong Kong Limited	–	–	61.74	18.45
Oracle Systems Limited	–	–	179.56	258.94
Oracle Systems Pakistan (Private) Limited	–	–	71.52	94.22
Oracle Taiwan LLC	–	–	85.27	52.46
Oracle Technology Systems (Kenya) Limited	–	–	50.09	7.69
Oracle Vietnam Pte. Ltd.	–	–	38.02	45.79
Oracle Polska, Sp.z.o.o.	–	–	8.15	3.03
Oracle EMEA Limited	–	–	0.76	6.05
Oracle (QFC) Systems LLC	–	–	52.63	–
PT Oracle Indonesia	–	–	37.17	11.65

(Amounts in ₹ million)

Particulars	Transaction		Amount receivable (payable)	
	Year ended March 31, 2024	Year ended March 31, 2023	As at March 31, 2024	As at March 31, 2023
Sistemas Oracle de Chile Limitada	–	–	56.85	32.22
Sistemas Oracle del Peru S.R.L.	–	–	0.44	20.64
Rent expenses (including lease payments)				
Fellow subsidiaries				
Oracle India Private Limited	1.85	0.68	(0.34)	(0.37)
Oracle (China) Software Systems Company Limited	0.27	1.38	–	(0.29)
Oracle Corporation Australia Pty Limited	0.84	1.82	(0.06)	–
Oracle Solution Services (India) Private Ltd.	6.71	1.56	(2.22)	(0.52)
Oracle EMEA Limited	0.69	0.42	–	(0.54)
Oracle Hellas, S.A.	18.21	18.15	(1.99)	(4.90)
Oracle America, Inc.	5.67	16.41	0.40	(2.79)
Oracle Nederland B.V.	(0.35)	0.20	–	(0.35)
Oracle France, S.A.S.	–	–	(0.75)	(0.74)
Oracle Corporation Japan	6.28	3.68	–	(1.21)
Sistemas Oracle de Chile Limitada	4.81	2.54	(1.09)	(0.51)
Oracle Global Services Limited	34.22	9.61	–	(9.76)
Oracle Global Services France SARL	0.69	0.62	(1.33)	(0.66)
Oracle Global Services Singapore Pte. Ltd.	12.38	19.58	(1.55)	(1.85)
Oracle Systems Limited	40.00	37.76	–	–
Professional fee expenses				
Fellow subsidiaries				
Oracle America, Inc.	1,059.32	231.61	(889.23)	(157.05)
Oracle Corporation Australia Pty Limited	1.55	1.43	(1.64)	(0.87)
Oracle Corporation Japan	2.25	4.74	(1.10)	(0.58)
Oracle Corporation Singapore Pte Ltd.	2.71	31.47	(5.09)	(9.33)
Oracle Corporation UK Limited	0.97	1.16	(0.49)	(0.30)
Oracle Deutschland B.V & Co. KG	0.06	0.13	(0.03)	(0.03)
Oracle France, S.A.S.	0.12	0.10	(0.07)	(0.02)
Oracle Global Services Singapore Pte. Ltd.	0.01	–	–	–
Oracle Global Services Limited	0.04	1.31	(0.03)	(0.14)
Oracle Global Services Canada ULC	35.31	21.50	(8.87)	(1.35)
Oracle Information Technology Service (Shenzhen) Co., Ltd.	21.40	38.06	(19.79)	(6.00)
Oracle India Private Limited	506.08	448.22	(124.92)	(158.40)
Oracle Iberica, S.R.L.	–	2.24	–	0.07
Oracle Systems Limited	2.69	11.76	(1.06)	(1.33)
Oracle de Mexico, S.A. de C.V.	0.14	–	26.49	26.13
Oracle Canada ULC	14.38	0.74	(1.32)	–
Oracle Do Brasil Sistemas Limitada	5.47	–	(5.91)	(0.33)
Oracle Corporation (Thailand) Company Limited	11.43	9.52	(5.27)	(2.46)
Oracle Nederland B.V.	0.34	0.42	(0.17)	(0.12)
Oracle Solution Services (India) Private Ltd.	83.06	24.40	(23.45)	(6.82)
Oracle Taiwan LLC	–	–	0.15	–
Oracle EMEA Limited	5.43	13.81	(6.90)	(6.12)
Oracle Portugal - Sistemas de Informacao Lda.	17.18	21.04	(3.05)	0.51
Oracle Romania SRL	–	–	(0.04)	(0.04)
Oracle Vietnam Pte. Ltd.	7.32	0.80	(6.39)	(7.62)
Sistemas Oracle de Chile Limitada	0.38	0.30	(0.18)	0.01

(Amounts in ₹ million)

Particulars	Transaction		Amount receivable (payable)	
	Year ended March 31, 2024	Year ended March 31, 2023	As at March 31, 2024	As at March 31, 2023
Oracle (Philippines) Corporation	1.64	6.68	(1.32)	(1.13)
Oracle Colombia Limitada	43.83	29.57	(11.77)	(14.91)
Oracle Korea Ltd.	–	3.89	–	–
Oracle Systems Pakistan (Private) Limited	5.85	3.76	(8.96)	(3.23)
Oracle (China) Software Systems Company Limited	2.10	5.02	(0.24)	(4.96)
Oracle Egypt Ltd.	4.06	0.57	–	(0.57)
Reimbursement (recovery) of expenses				
Fellow Subsidiaries				
Professional fees				
Oracle America, Inc.	116.18	101.19	(115.00)	(95.41)
Oracle Corporation (South Africa) (Proprietary) Limited	(1.25)	1.84	(0.94)	(4.32)
Oracle East Central Europe Services B.V.	0.01	0.04	(0.52)	(0.52)
Oracle Italia S.r.l.	0.30	–	(0.30)	–
Oracle Srbija & Crna Gora d.o.o.	–	–	–	0.02
Oracle Corporation (Thailand) Company Limited	0.01	0.04	(0.60)	(0.60)
Oracle East Central Europe Limited	–	–	–	0.01
Oracle Corporation UK Limited	2.47	–	(2.47)	–
Oracle Hellas, S.A.	–	–	–	(0.02)
Oracle Technology Systems (Ghana) Limited Company	0.90	–	(0.87)	–
Sistemas Oracle de Chile Limitada	0.03	–	(0.03)	–
Other expenses				
Oracle (Philippines) Corporation	(0.03)	0.06	(1.52)	(1.55)
Oracle America, Inc.	1.42	–	1.42	–
Oracle Canada ULC	0.89	0.02	–	(33.50)
Oracle Corporation (South Africa) (Proprietary) Limited	1.93	7.02	(1.08)	(2.30)
Oracle Corporation (Thailand) Company Limited	0.74	2.06	(0.21)	(0.47)
Oracle Corporation Australia Pty Limited	0.67	–	–	–
Oracle Corporation Malaysia Sdn. Bhd.	11.49	3.88	(1.05)	(0.12)
Oracle Do Brasil Sistemas Limitada	0.03	0.01	(2.80)	(0.91)
Oracle East Central Europe Limited	–	0.05	(0.89)	(0.89)
Oracle East Central Europe Services B.V.	(0.02)	(4.17)	(0.39)	(0.41)
Oracle Egypt Ltd.	2.07	0.39	(2.33)	(0.39)
Oracle Czech s.r.o.	6.14	–	(0.51)	–
Oracle Italia S.r.l.	–	(2.50)	–	–
Oracle Korea Ltd.	(0.01)	–	(0.31)	(0.32)
Oracle New Zealand	1.20	(0.02)	(0.90)	(0.93)
Oracle Polska, Sp.z.o.o.	–	(0.14)	(0.02)	(0.02)
Oracle Hellas, S.A.	–	–	(0.02)	–
Oracle Srbija & Crna Gora d.o.o.	11.66	2.02	(5.54)	(0.86)
Oracle Systems Hong Kong Limited	0.06	–	(0.06)	–
Oracle Taiwan LLC	2.17	1.64	(2.17)	–
Oracle Vietnam Pte. Ltd.	12.52	0.06	(6.47)	–
PT Oracle Indonesia	6.99	1.08	(4.57)	(0.40)
Oracle Information Technology Service (Shenzhen) Co., Ltd.	32.00	–	(25.21)	–
Oracle India Private Limited	0.18	(2.45)	–	(0.32)

(Amounts in ₹ million)

Particulars	Transaction		Amount receivable (payable)	
	Year ended March 31, 2024	Year ended March 31, 2023	As at March 31, 2024	As at March 31, 2023
Oracle Solution Services (India) Private Ltd.	–	(0.93)	–	–
Oracle Technology Systems (Kenya) Limited	–	3.47	–	–
Sistemas Oracle de Chile Limitada	(0.13)	0.04	(0.68)	(0.82)
Procurement of fixed assets				
Fellow subsidiaries				
Oracle Systems Limited	1.05	1.00	(0.24)	–
Oracle India Private Limited	–	69.94	–	–
Oracle (China) Software Systems Company Limited	0.14	–	(0.14)	–
Oracle Corporation (South Africa) (Proprietary) Limited	0.10	–	–	–
Oracle Corporation Australia Pty Limited	0.17	–	(0.54)	–
Oracle Corporation Japan	0.35	–	(0.40)	–
Oracle Corporation Singapore Pte Ltd.	1.16	–	(0.71)	–
Oracle EMEA Limited	2.14	–	–	–
Sistemas Oracle de Chile Limitada	1.26	–	(1.16)	–
Staff Welfare Expenses				
Fellow subsidiaries				
Oracle America, Inc.	–	–	0.88	0.85
Oracle Corporation Australia Pty Limited	–	(0.01)	–	–
Oracle Corporation Singapore Pte Ltd.	–	–	(0.01)	–
Oracle Corporation UK Limited	–	–	0.10	0.41
Oracle Nederland B.V.	–	–	–	0.20
Oracle India Private Limited	–	0.07	–	(0.07)
Oracle Colombia Limitada	–	–	–	0.01
Other expenses				
Fellow subsidiaries				
Oracle Corporation Singapore Pte Ltd.	0.05	–	(0.10)	(0.05)
Oracle Corporation Japan	0.01	–	(0.01)	–
Oracle Corporation Australia Pty Limited	0.38	–	(0.01)	–
Oracle India Private Limited	1.53	15.16	(0.07)	(2.32)
Oracle Systems Limited	–	0.03	–	–
Oracle Solution Services (India) Private Ltd.	0.07	1.92	(0.45)	(0.16)
Sistemas Oracle de Chile Limitada	–	0.29	–	(0.29)
Miscellaneous income (including sublease receipts)				
Fellow subsidiaries				
Oracle Solution Services (India) Private Ltd.	6.48	6.40	–	–
Oracle Systems Limited	6.12	(0.05)	5.43	–
Oracle EMEA Limited	–	–	–	0.19
Oracle East Central Europe Services B.V.	5.89	–	–	–
Oracle Corporation Singapore Pte Ltd.	4.42	–	4.41	–
Oracle (Philippines) Corporation	0.99	–	0.99	–
Oracle America, Inc.	4.83	–	4.83	–
Oracle Canada ULC	0.94	–	0.94	–
Oracle Caribbean, Inc.	0.84	–	0.84	–
Oracle Colombia Limitada	1.70	–	1.70	–
Oracle Corporation (South Africa) (Proprietary) Limited	4.20	–	4.20	–

(Amounts in ₹ million)

Particulars	Transaction		Amount receivable (payable)	
	Year ended March 31, 2024	Year ended March 31, 2023	As at March 31, 2024	As at March 31, 2023
Oracle Corporation (Thailand) Company Limited	3.88	–	3.88	–
Oracle Corporation Japan	2.40	–	2.40	–
Oracle Corporation Malaysia Sdn. Bhd.	3.01	–	3.01	–
Oracle New Zealand	1.79	–	1.79	–
Oracle Systems Hong Kong Limited	1.34	–	1.34	–
Oracle Taiwan LLC	17.82	–	17.81	–
Oracle Vietnam Pte. Ltd.	5.91	–	5.91	–
PT Oracle Indonesia	1.95	–	1.95	–
Sistemas Oracle de Chile Limitada	2.29	–	2.29	–
Oracle Italia S.r.l.	1.63	–	1.63	–
Oracle Nederland B.V.	1.10	–	1.10	–
Oracle Romania SRL	1.92	–	1.92	–
Oracle Srbija & Crna Gora d.o.o.	2.99	–	2.99	–
Oracle Technology Systems (Kenya) Limited	4.26	–	4.26	–
Oracle India Private Limited	21.48	24.48	6.26	2.41
Security Deposit				
Fellow subsidiaries				
Oracle Global Services France SARL	–	–	0.16	0.16
Other advances				
Ultimate Holding Company				
Oracle Corporation	–	–	–	0.92
Fellow subsidiaries				
Oracle America, Inc.	–	–	6.33	6.24
Oracle Corporation Singapore Pte Ltd.	–	–	0.31	–
Oracle Global Services Netherlands BV	–	–	–	0.25
Oracle India Private Limited	–	–	–	1.70
Oracle Global Services Limited	–	–	0.29	0.28
Oracle Corporation UK Limited	–	–	0.57	0.55
Oracle EMEA Limited	–	–	0.41	0.06
Oracle Global Services Japan GK	–	–	0.15	–
Sistemas Oracle de Chile Limitada	–	–	–	0.57
Oracle France, S.A.S.	–	–	0.02	0.02
Other payables				
Fellow subsidiaries				
Oracle Technology Systems (Kenya) Limited	–	–	–	(0.08)
Oracle East Central Europe Limited	–	–	(0.01)	(0.01)
Oracle Polska, Sp.z.o.o.	–	–	(4.87)	(4.83)
NetSuite Ireland Limited	–	–	(0.28)	(0.28)
Stock compensation expense				
Ultimate Holding Company				
Oracle Corporation	293.19	194.08	1.36	–
Oracle Employee Stock Purchase Plan				
Ultimate Holding Company				
Oracle Corporation	0.96	1.41	(8.80)	(11.58)

(Amounts in ₹ million)

Particulars	Transaction		Amount receivable (payable)	
	Year ended March 31, 2024	Year ended March 31, 2023	As at March 31, 2024	As at March 31, 2023
Payment of equity dividend				
<i>Holding Company</i>				
Oracle Global (Mauritius) Limited	14,186.52	11,979.73	–	–
<i>Key Managerial personnel</i>	49.67	34.03	–	–
<i>Independent Directors</i>	1.35	1.14	–	–
Key Managerial personnel [Refer note (i) below]				
Short-term employment benefits	64.19	74.15	–	–
Post-employment retiral benefits	(2.47)	(1.74)	–	–
Share based payments	55.77	153.86	–	–
Commission				
<i>Independent Directors</i>	16.35	15.70	–	(0.74)
Reimbursement of expenses				
<i>Directors</i>	3.06	1.02	–	(0.47)

Note (i): Remuneration includes salary, bonus and perquisites. During the year, 29,478 OSUs under OFSS Stock Plan 2014 (March 31, 2023 - 59,988 OSUs under OFSS Stock Plan 2014) were granted to KMP.

Note (ii): Terms and conditions of transactions with related parties.

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at year end are unsecured and interest free and settlement occurs in cash.

Note 42: Segment information

Business segments are defined as a distinguishable component of an enterprise that is engaged in providing a group of related products or services and that is subject to differing risks and returns and about which separate financial information is available. This information is reviewed and evaluated regularly by the management in deciding how to allocate resources and in assessing the performance.

The OFSS group is organized by business segment and geographically. For management purposes the OFSS group is primarily organized on a worldwide basis into two business segments:

- Product licenses and related activities ('Products') and
- IT solutions and consulting services ('Services')

The business segments are the basis on which the OFSS group reports its primary operational information to management.

Product licenses and related activities segment deals with various banking software products. The related activities include enhancements, implementation and maintenance activities.

IT solutions and consulting services segment offers services spanning the entire lifecycle of applications used by financial service institutions. The division's portfolio includes Consulting, Application, Support and Technology Services that help institutions improve efficiency, optimize costs, meet risk and compliance mandates and implement IT solutions finely attuned to their business needs.

Segment revenue and expense:

Revenue is generated through licensing of software products, maintenance fees as well as by providing software solutions to the customers including consulting services. The income and expenses which are not directly attributable to a business segment are shown as unallocable income and expenses.

Segment assets and liabilities:

Segment assets include all operating assets used by a segment and consist principally of trade receivables (net of allowances), unbilled receivable (net of allowances), unbilled revenue, deposits for premises, property, plant and equipment, right-of-use asset and other assets. Segment liabilities primarily includes trade payables, deferred revenues, advance from customers, employee

benefit obligations, lease liabilities and other liabilities. While most of such assets and liabilities can be directly attributed to individual segments, the carrying amount of certain assets and liabilities used jointly by both the segments is allocated to each of the segment on a reasonable basis. Assets and liabilities that cannot be allocated between the segments are shown as part of unallocable assets and liabilities.

Year ended March 31, 2024		(Amounts in ₹ million)		
Particulars	Products	Services	Total	
Revenue	57,862.01	5,867.60	63,729.61	
Segment result	27,473.97	1,612.35	29,086.32	
Unallocable expenses			(2,284.89)	
Finance income			3,316.71	
Other income, net			105.21	
Profit before tax			30,223.35	
Tax expenses			(8,029.73)	
Profit for the year			22,193.62	

Year ended March 31, 2023		(Amounts in ₹ million)		
Particulars	Products	Services	Total	
Revenue	51,309.00	5,674.09	56,983.09	
Segment result	24,470.95	1,304.01	25,774.96	
Unallocable expenses			(1,994.35)	
Finance income			1,672.84	
Other income, net			245.59	
Profit before tax			25,699.04	
Tax expenses			(7,637.63)	
Profit for the year			18,061.41	

Revenue of ₹ 31,307.93 million (March 31, 2023 - ₹ 27,264.35 million) is derived from a single customer group in 'Products' and 'Services' segment.

Other information

Year ended March 31, 2024		(Amounts in ₹ million)			
Particulars	Products	Services	Unallocable	Total	
Capital expenditure by segment					
Property, Plant and Equipment	234.61	33.72	21.68	290.01	
Depreciation and amortization	508.00	95.81	138.77	742.58	
Other non cash expenses	714.70	(9.77)	1.90	706.83	
Segment assets	27,421.90	1,606.58	70,328.93	99,357.41	
Segment liabilities	11,264.04	1,182.50	8,322.46	20,769.00	
Equity	–	–	78,588.41	78,588.41	

Year ended March 31, 2023		(Amounts in ₹ million)			
Particulars	Products	Services	Unallocable	Total	
Capital expenditure by segment					
Property, Plant and Equipment	337.89	38.72	32.97	409.58	
Depreciation and amortization	533.25	123.85	149.52	806.62	
Other non cash expenses	246.86	2.89	1.97	251.72	
Segment assets	24,027.81	1,021.72	67,705.87	92,755.40	
Segment liabilities	10,884.67	1,162.29	6,119.37	18,166.33	
Equity	–	–	74,589.07	74,589.07	

Geographical segments

The following table shows the distribution of the OFSS group's consolidated sales by geographical market:

Regions	Year ended March 31, 2024		Year ended March 31, 2023	
	Amounts in ₹ million	%	Amounts in ₹ million	%
India	6,135.73	9.6%	4,811.57	8.4%
Outside India				
Americas				
United States of America	17,891.44	28.1%	16,415.15	28.8%
Rest of America	5,159.23	8.1%	4,407.66	7.8%
Europe	9,319.95	14.6%	8,374.29	14.7%
Asia Pacific	13,426.17	21.1%	12,725.36	22.3%
Middle East and Africa	11,797.09	18.5%	10,249.06	18.0%
	63,729.61	100.0%	56,983.09	100.0%

The following table shows the OFSS group's consolidated non current assets by geographical market:

Regions	As at March 31, 2024		As at March 31, 2023	
	Amounts in ₹ million	%	Amounts in ₹ million	%
India	11,402.15	56.0%	11,839.76	62.7%
Outside India				
Americas				
United States of America	5,137.78	25.3%	5,144.80	27.3%
Rest of America	12.11	0.1%	21.14	0.1%
Europe	3,229.48	15.9%	1,277.51	6.8%
Asia Pacific	452.98	2.2%	447.93	2.4%
Middle East and Africa	106.60	0.5%	133.75	0.7%
	20,341.10	100.0%	18,864.89	100.0%

Non current assets for this purpose consist of property, plant and equipment, capital work-in-progress, right-of-use assets, investment property, intangible assets, non-current income tax asset and other non-current assets.

As per our report of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No. 101049W / E300004

per Govind Ahuja
Partner
Membership No. 048966

Mumbai, India
April 24, 2024

For and on behalf of the Board of Directors of
Oracle Financial Services Software Limited

Sridhar Srinivasan
Chairperson
DIN: 07240718

Avadhut Ketkar
Chief Financial Officer

Mumbai, India
April 24, 2024

Makarand Padalkar
Managing Director
& Chief Executive Officer
DIN: 02115514

Onkarnath Banerjee
Company Secretary
& Compliance Officer
ACS: 8547

Mrugank Paranjape
Director
DIN: 02162026

Consolidated statement of cash flow for the year ended March 31, 2024

(Amounts in ₹ million)

	Year ended March 31, 2024	Year ended March 31, 2023
Cash flows from operating activities		
Profit before tax	30,223.35	25,699.04
Adjustments to reconcile profit before tax to cash (used in) provided by operating activities:		
Depreciation and amortization	742.58	806.62
Loss on sale of fixed assets, net	2.29	2.26
Impairment loss recognized on contract assets	616.27	163.85
Impairment loss recognized on other financial assets	5.58	8.00
Bad debts	84.98	79.87
Finance income	(3,316.71)	(1,672.84)
Employee stock compensation expense	950.26	752.51
(Gain) on lease modification	(0.27)	(2.51)
Effect of exchange rate changes in cash and cash equivalents	(130.11)	(1,300.32)
Effect of exchange rate changes in assets and liabilities	42.68	898.34
Finance cost	281.09	126.55
Operating Profit before Working Capital changes	29,501.99	25,561.37
Movements in working capital		
(Increase) decrease in other non-current assets	(38.30)	9.05
(Increase) in trade receivables	(3,030.75)	(1,341.37)
(Increase) in other current financial assets	(1,207.45)	(590.71)
(Increase) decrease in other current assets	(795.12)	133.73
Increase (decrease) in non-current financial liabilities	2.23	(31.84)
Increase (decrease) in other non-current liabilities	106.43	(88.86)
Increase in non-current provisions	311.42	132.07
Increase (decrease) in trade payables	624.64	(11.10)
Increase (decrease) in other current financial liabilities	229.96	(47.19)
Increase in other current liabilities	144.30	754.57
Increase in current provisions	114.20	30.91
Cash from operating activities	25,963.55	24,510.63
Payment of domestic and foreign taxes, net of refunds	(8,056.86)	(6,926.48)
Net cash provided by operating activities	17,906.69	17,584.15
Cash flows from investing activities		
Purchase of property, plant and equipment	(301.06)	(381.26)
Proceeds from sale of property, plant and equipment	0.41	1.52
Refund of deposits for premises and others	35.55	1.51
Bank fixed deposits having maturity of more than three months matured	35,219.59	34,731.17
Bank fixed deposits having maturity of more than three months booked	(21,466.40)	(34,538.74)
Interest received	2,491.41	1,557.19
Net cash provided by investing activities	15,979.50	1,371.39

Consolidated statement of cash flow for the year ended March 31, 2024 (continued)

(Amounts in ₹ million)

	Year ended March 31, 2024	Year ended March 31, 2023
Cash flows from financing activities		
Proceeds from issue of shares under employee stock option plan	207.39	79.36
Equity dividend paid	(19,459.76)	(16,415.93)
Repayment of lease liabilities	(299.20)	(272.95)
Interest paid on lease liabilities	(32.94)	(45.28)
Net cash (used in) financing activities	(19,584.51)	(16,654.80)
Net increase in cash and cash equivalents	14,301.68	2,300.74
Cash and cash equivalents at beginning of the year	20,400.79	16,799.73
Effect of exchange rate changes in cash and cash equivalents	130.11	1,300.32
Cash and cash equivalents at end of the year	34,832.58	20,400.79
Component of cash and cash equivalents		
Balances with banks:		
In current accounts*	10,935.84	20,134.65
In deposit accounts with original maturity of less than 3 months	12,190.23	228.09
Money market funds	11,668.55	–
In unclaimed dividend account**	37.96	38.05
Total cash and cash equivalents [Refer note 9 (a)]	34,832.58	20,400.79
*Current account includes ₹ 0.71 million (March 31, 2023 - ₹ 4.00 million) on account of restricted cash and bank balances held by i-flex Employee Stock Option Trust controlled by the Company.		
**These balances will be utilized only towards the respective unclaimed dividend.		

As per our report of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No. 101049W / E300004

per Govind Ahuja
Partner
Membership No. 048966

Mumbai, India
April 24, 2024

For and on behalf of the Board of Directors of
Oracle Financial Services Software Limited

Sridhar Srinivasan
Chairperson
DIN: 07240718

Avadhut Ketkar
Chief Financial Officer

Mumbai, India
April 24, 2024

Makarand Padalkar
Managing Director
& Chief Executive Officer
DIN: 02115514

Onkarnath Banerjee
Company Secretary
& Compliance Officer
ACS: 8547

Mrugank Paranjape
Director
DIN: 02162026

Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013, read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed Form AOC-1 relating to subsidiary companies

Sr. No.	Name of the Subsidiary	Reporting period	Reporting Currency	Exchange rate	Share capital	Reserves and Surplus	Total assets	Total Liabilities	Total Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	Shareholding % of
Subsidiaries															
1	Oracle Financial Services Software BV.	31-Mar-24	EUR	90.18	776.31	917.41	8,544.63	7,357.95	507.04	18,071.91	411.05	431.75	(20.70)	-	100%
2	Oracle Financial Services Software SA	31-Mar-24	EUR	90.18	274.32	(57.91)	2,032.98	1,816.57	-	782.64	97.84	16.79	81.05	-	100%
3	Oracle Financial Services Software Pte. Ltd.	31-Mar-24	USD	83.32	6.63	352.19	3,865.21	3,506.39	-	8,515.56	205.93	204.90	1.03	-	100%
4	Oracle Financial Services Consulting Pte. Ltd.	31-Mar-24	SGD	61.84	-	(258.29)	7.27	265.56	-	-	(0.19)	-	(0.19)	-	100%
5	Oracle Financial Services Software America, Inc.	31-Mar-24	USD	83.32	-	11,520.64	49.47	5.25	11,476.42	-	1.82	0.39	1.43	-	100%
6	Oracle Financial Services Software, Inc.	31-Mar-24	USD	83.32	-	16,361.13	22,067.34	5,706.21	-	16,414.54	2,862.60	924.94	1,937.66	-	100%
7	Mantas Inc.	31-Mar-24	USD	83.32	-	233.28	238.37	5.09	-	-	0.01	-	0.01	-	100%
8	Sotas Inc.	31-Mar-24	USD	83.32	-	-	-	-	-	-	0.05	(0.01)	0.06	-	100%
9	Mantas India Private Limited	31-Mar-24	INR	1.00	15.00	9.02	24.05	0.03	-	-	1.47	0.38	1.09	-	100%
10	ISP Internet Mauritius Company	31-Mar-24	USD	83.32	196.74	235.48	395.96	0.49	36.75	-	5.24	-	5.24	-	100%
11	Oracle (OFSS) BPO Services Inc.	31-Mar-24	USD	83.32	0.01	(766.36)	165.46	931.81	-	190.54	(25.25)	1.28	(26.53)	-	100%
12	Oracle (OFSS) BPO Services Limited	31-Mar-24	INR	1.00	58.19	387.18	508.11	62.74	-	445.20	201.28	42.64	158.64	-	100%
13	Oracle (OFSS) Processing Services Limited	31-Mar-24	INR	1.00	13.00	249.79	468.66	206.04	0.17	485.13	177.37	53.64	123.73	-	100%
14	Oracle (OFSS) ASP Private Limited	31-Mar-24	INR	1.00	51.70	(6.78)	45.01	0.09	-	-	1.29	-	1.29	-	100%
15	Oracle Financial Services Software Chile Limitada	31-Dec-23	CLP	0.09	80.86	510.57	1,038.27	446.84	-	560.57	11.00	21.21	(10.21)	-	100%
16	Oracle Financial Services Software (Shanghai) Limited	31-Dec-23	CNY	11.53	46.06	138.94	269.05	84.05	-	155.86	(6.32)	3.30	(9.62)	-	100%
Controlled Trust															
17	i-flex Employee Stock Option Trust	31-Mar-24	INR	1.00	-	905.08	906.62	1.54	-	-	(82.15)	24.69	(106.84)	-	-
Total					1,518.82	30,731.37	40,626.46	20,396.65	12,020.38	45,621.95	3,863.04	1,725.90	2,137.14	-	-

For and on behalf of the Board of Directors of
Oracle Financial Services Software Limited

Sridhar Srinivasan

Chairperson
DIN: 07240718

Mumbai, India
June 12, 2024

Unconsolidated financials

Financial statements for the year ended March 31, 2024 prepared in accordance with Ind AS (Unconsolidated).

Independent Auditor's Report

To the Members of Oracle Financial Services Software Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Oracle Financial Services Software Limited ("the Company"), which comprise the Balance sheet as at March 31, 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profits including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
Revenue recognition	
<p>The Company's revenue streams consist of license fees, maintenance fees and consulting fees - fixed price and time & material contracts.</p> <p>Revenue from contracts with customers is recognized by the Company in accordance with the requirements of Ind AS 115, Revenue from Contracts with Customers ("Ind AS 115") (as described in note 2.2(d) of the financial statements).</p> <p>The application of Ind AS 115 and the Accounting Policy of the Company involves certain key judgements relating to identification of distinct performance obligations, determination of the transaction price, allocation of transaction price to the identified performance obligations especially to license fees, the appropriateness of the basis used to measure revenue recognised over time or at a point in time, including relevant cut-off at period end dates.</p> <p>Accordingly, we identified revenue recognition as a key audit matter</p>	<p>Our audit procedures included and were not limited to the following:</p> <ol style="list-style-type: none">a) We evaluated whether the revenue recognition of the Company is in accordance with the accounting policies and principles as per Ind AS 115.b) We obtained an understanding of management's internal controls over the revenue process and evaluated whether these were designed in line with the Ind AS 115. We tested relevant internal controls, including information technology (IT) controls, over revenue process including the following:<ol style="list-style-type: none">i. Read and identified the distinct performance obligations in these contracts and compared these performance obligations with those identified and recorded by the Company.ii. Read the terms of the contracts and checked determination of the transaction price including any variable consideration. Also, checked management's evaluation of the stand-alone selling price for each performance obligation.iii. Tested the basis used by the management to measure revenue recognised over time or at a point in time as per the requirements of Ind AS 115 and the Accounting Policies of the Company.

Key audit matters	How our audit addressed the key audit matter
Refer note 2.2(d), 17, 26(vii) and 41 of the standalone Ind AS financial statements.	<p>c) We also performed substantive procedures on a sample of revenue contracts entered into by Company, selected on a test check basis as deemed appropriate.</p> <p>d) We performed cut-off testing procedures (by selecting a sample of contracts either side of year-end) to test that revenue has been recognised in the appropriate accounting period.</p>
Evaluation of income tax provision	
<p>Management is required to ensure compliance with tax laws every year and appropriately determine the tax expense and deferred tax balances. Further, management is also required to evaluate the transfer pricing mechanism every year and its consequential impact on adequacy of provision for income tax and deferred tax of the Company.</p> <p>Additionally, the Company has uncertain income tax positions which includes matters under dispute involving significant judgment to determine the possible outcome of these disputes. The Company has during the year ended March 31, 2024, reviewed the uncertain tax positions in respect of all matters and wherever considered appropriate recognised income tax provisions relating to uncertain income tax treatments and the related interest expense thereon.</p> <p>Accordingly, we identified income tax provision as a key audit matter</p> <p>Refer note 2.2(e), 16, 26(iv) and 39 of the standalone Ind AS financial statements.</p>	<p>Our audit procedures included and were not limited to the following:</p> <p>a) We evaluated the design and tested the operating effectiveness of the relevant controls, through combination of procedures involving inquiry and observation, reperformance and inspection of evidence in respect of operation of these controls to assess how the Company monitors income tax and related developments and their assessment of the potential impact on the Company.</p> <p>b) We tested current income tax and deferred tax computation provided by the management and checked the arithmetical accuracy of the amounts reported for current and deferred tax. We read assessment orders from tax authorities, tax returns wherever appropriate to assess impact on provision for income tax, if any.</p> <p>c) For uncertain tax positions, we obtained details of income tax assessments, appeal orders and income tax demands from management.</p> <p>We evaluated the management's underlying assumptions of the validity and adequacy of provisions for uncertain income tax positions and evaluated the basis of determination of the possible outcome of the disputes. Also considered legal precedence and other rulings and read, where applicable, external advice sought by the Company for these uncertain income tax positions and reviewed related correspondence in evaluating management's position on these uncertain income tax matters.</p> <p>d) We engaged our tax specialist to assess:</p> <ol style="list-style-type: none"> i. the current income tax and deferred tax computation provided by the management. ii. the transfer pricing mechanism including the basis of recording provisions for uncertain income tax treatment and interest thereon, as per tax laws. <p>e) We obtained and assessed effective tax rate reconciliation to evaluate the Company's total income tax expense for the year.</p>

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance and determine the actions under applicable laws and regulations.

Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments

and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

- (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 39 to the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
 - iv.
 - a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
 - v. The interim dividend declared and paid by the Company during the year is in accordance with section 123 of the Act.
 - vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

For S. R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Govind Ahuja

Partner

Membership Number: 048966

UDIN: 24048966BKFQRF3721

Place of Signature: Mumbai

Date: April 24, 2024

Annexure 1 referred to in paragraph 1 under the heading Report on ‘Other Legal and Regulatory Requirements of our Report of even date on the Standalone Financial Statements

Re: Oracle Financial Services Software Limited (“the Company”)

- (i) (a) A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, Investment Property and Right of use assets.
B) The Company has not capitalized any intangible assets in the books of the Company and accordingly, the requirement to report on clause 3(i)(a)(B) of the Order is not applicable to the Company.
- (b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2024.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company’s business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) The Company has not been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) (a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.
- (b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.
- (c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.
- (d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.
- (e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.
- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, provisions of section 186 of the Act in respect of investments made have been complied with by the Company. In our opinion and according to the information and explanations given to us, there are no loans, guarantees and securities granted in respect of which provisions of section 185 and section 186 of the Act are applicable and hence not commented upon.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, income-tax, sales-tax, service tax, duty of customs, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us, the dues of goods and services tax, provident fund, income-tax, sales-tax, service tax, duty of custom, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961*	Income Tax	533,643,900	April 2002 to March 2004	High Court
	Income Tax	18,286,959,441	April 2013 to March 2021	Commissioner of Income Tax – Appeals
	Tax Deducted at source	2,148,137,013	April 2011 to March 2018	Commissioner of Income Tax – Appeals
Maharashtra Value Added Tax**	Sales Tax (MVAT)	150,432,583	April 2012 to June 2017	Joint Commissioner of Sales Tax

*The demand of Income Tax as reported above is net of demand paid under protest and refunds adjusted against said demand of ₹ 210,750,634.

**The demand of Sales Tax as reported above is net of demand paid under protest and refunds adjusted against said demand of ₹ 12,169,781.

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause ix(a) of the Order is not applicable to the Company.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix) (c) of the Order is not applicable to the Company.
- (d) The Company did not raise any funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) & (c) of the Order are not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 23 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Act, in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 36 to the financial statements.
- (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of the Act. This matter has been disclosed in note 36 to the financial statements.

For S. R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Govind Ahuja

Partner

Membership Number: 048966

UDIN: 24048966BKFQRF3721

Place of Signature: Mumbai

Date: April 24, 2024

Annexure 2 to the Independent Auditor's Report of even date on the Standalone Financial Statements of Oracle Financial Services Software Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Oracle Financial Services Software Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these standalone financial statements.

Meaning of Internal Financial Controls With Reference to these Standalone Financial Statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Govind Ahuja

Partner

Membership Number: 048966

UDIN: 24048966BKFQRF3721

Place of Signature: Mumbai

Date: April 24, 2024

Balance sheet as at March 31, 2024

(Amounts in ₹ million)

	Notes	March 31, 2024	March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	1,460.39	1,623.83
Capital work-in-progress	3	24.97	0.23
Right-of-use assets	4	200.61	359.63
Investment property	5	102.00	102.00
Financial assets			
Investments in subsidiaries	6	7,912.24	7,905.65
Other financial assets	7	637.73	633.97
Deferred tax assets (net)	16(c)	1,286.71	1,041.24
Income tax assets (net)		8,360.49	8,771.03
Other non-current assets	10	1,281.59	1,252.59
		21,266.73	21,690.17
Current assets			
Financial assets			
Trade receivables	8	8,198.41	6,309.19
Cash and cash equivalents	9(a)	13,664.80	1,408.34
Other bank balances	9(b)	19,211.18	33,132.27
Other financial assets	7	4,508.72	2,212.46
Other current assets	10	2,017.53	1,632.40
		47,600.64	44,694.66
TOTAL		68,867.37	66,384.83
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	433.36	431.99
Other equity	12	61,411.45	59,622.19
Total equity		61,844.81	60,054.18
Non-current liabilities			
Financial liabilities			
Lease liability	28	62.28	231.19
Other non-current liabilities	14	50.18	70.88
Provisions	15	1,828.48	1,601.39
		1,940.94	1,903.46
Current liabilities			
Financial liabilities			
Lease liability	28	169.95	160.77
Trade payables			
Payable to micro and small enterprises	13(a)	5.27	26.65
Payable to other than micro and small enterprises	13(a)	199.35	208.50
Other financial liabilities	13(b)	1,518.30	1,234.89
Other current liabilities	14	1,742.27	1,478.11
Provisions	15	1,446.48	1,284.33
Income tax liabilities (net)		–	33.94
		5,081.62	4,427.19
TOTAL		68,867.37	66,384.83
Summary of material accounting policies	2		
The accompanying notes form an integral part of the financial statements.			

As per our report of even date

For S. R. Batliboi & Associates LLP

Chartered Accountants
ICAI Firm Registration No. 101049W / E300004

per Govind Ahuja

Partner
Membership No. 048966

**Mumbai, India
April 24, 2024**

For and on behalf of the Board of Directors of
Oracle Financial Services Software Limited

Sridhar Srinivasan

Chairperson
DIN: 07240718

Avadhut Ketkar

Chief Financial Officer

**Mumbai, India
April 24, 2024**

Makarand Padalkar

Managing Director
& Chief Executive Officer
DIN: 02115514

Onkarnath Banerjee

Company Secretary
& Compliance Officer
ACS: 8547

Mrugank Paranjape

Director
DIN: 02162026

Statement of profit and loss for the year ended March 31, 2024

(Amounts in ₹ million, except share data)

	Notes	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from operations	17	47,844.96	42,555.81
Finance income	18	2,407.86	1,335.58
Other (expense) income, net	19	(11.70)	1,190.79
Total income		50,241.12	45,082.18
Expenses			
Employee benefit expenses	20	19,178.83	17,719.22
Travel related expenses		680.07	396.07
Professional fees		1,529.69	1,590.12
Finance cost	21	21.11	32.12
Other operating expenses	22	1,872.22	1,328.82
Depreciation and amortization	3 & 4	597.62	583.85
Total expenses		23,879.54	21,650.20
Profit before tax		26,361.58	23,431.98
Tax expenses	16		
Current tax		6,348.89	5,809.39
Deferred tax		(266.50)	(102.49)
Total tax expenses		6,082.39	5,706.90
Profit for the year		20,279.19	17,725.08
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Remeasurement gains of defined benefit plan		83.55	20.66
Income tax effect	16	(21.03)	(5.20)
<i>Items that will be reclassified subsequently to profit or loss</i>			
Exchange differences on translation of financial statements of foreign branch		6.11	24.32
Total other comprehensive income for the year, net of tax		68.63	39.78
Total comprehensive income for the year		20,347.82	17,764.86
Earnings per equity share of par value of ₹ 5 each (March 31, 2023 - ₹ 5 each) (in ₹)	25		
Basic		234.27	205.25
Diluted		232.78	204.37
Summary of material accounting policies	2		
The accompanying notes form an integral part of the financial statements.			

As per our report of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No. 101049W / E300004

per Govind Ahuja
Partner
Membership No. 048966

Mumbai, India
April 24, 2024

For and on behalf of the Board of Directors of
Oracle Financial Services Software Limited

Sridhar Srinivasan
Chairperson
DIN: 07240718

Avadhut Ketkar
Chief Financial Officer

Mumbai, India
April 24, 2024

Makarand Padalkar
Managing Director
& Chief Executive Officer
DIN: 02115514

Onkarnath Banerjee
Company Secretary
& Compliance Officer
ACS: 8547

Mrugank Paranjape
Director
DIN: 02162026

Statement of changes in equity for the year ended March 31, 2024

(a) Year ended March 31, 2024

Particulars	Equity share capital		Other equity				Total equity attributable to equity shareholders of the Company				
	Number of shares	Share capital	Share application money pending allotment	Securities premium	General reserve	Reserves and surplus		Contribution from Ultimate Holding Company	Retained earnings	Foreign currency translation reserve	Remeasurement of defined benefit obligation
Balance as of April 1, 2023	86,397,179	431.99	0.01	17,364.31	10,145.19	1,532.58	124.27	30,387.71	68.12	–	60,054.18
<i>Changes in equity for the year ended March 31, 2024</i>											
Application money received for exercised options	–	–	207.39	–	–	–	–	–	–	–	207.39
Shares issued for exercised options	274,477	1.37	(204.68)	203.31	–	–	–	–	–	–	–
Stock compensation charge	–	–	–	–	–	656.11	38.98	–	–	–	695.09
Forfeiture of options	–	–	–	–	–	(55.96)	–	55.96	–	–	–
Stock compensation related to options exercised	–	–	–	806.33	–	(806.33)	–	–	–	–	–
Profit for the year	–	–	–	–	–	–	–	20,279.19	–	–	20,279.19
Interim equity dividend	–	–	–	–	–	–	–	(19,459.67)	–	–	(19,459.67)
Remeasurement gains of defined benefit plan including income tax effect	–	–	–	–	–	–	–	–	–	62.52	62.52
Exchange differences on translation of financial statements of foreign branch	–	–	–	–	–	–	–	–	6.11	–	6.11
Remeasurement gains of defined benefit plan including income tax effect transferred to retained earnings	–	–	–	–	–	–	–	62.52	–	(62.52)	–
Balance as of March 31, 2024	86,671,656	433.36	2.72	18,373.95	10,145.19	1,326.40	163.25	31,325.71	74.23	–	61,844.81

(b) Year ended March 31, 2023

Particulars	(Amounts in ₹ million, except share data)										
	Equity share capital Number of shares	Share capital	Share application money pending allotment	Securities premium	General reserve	Reserves and surplus Employee stock options outstanding	Other equity Contribution from Ultimate Holding Company	Retained earnings	Other comprehensive income Foreign currency translation reserve	Remeasurement of defined benefit obligation	Total equity attributable to equity shareholders of the Company
Balance as of April 1, 2022	86,246,465	431.23	-	16,813.64	10,145.19	1,561.36	90.62	28,938.80	43.80	-	58,024.64
<i>Changes in equity for the year ended March 31, 2023</i>											
Application money received for exercised options	-	-	79.36	-	-	-	-	-	-	-	79.36
Shares issued for exercised options	150,714	0.76	(79.35)	78.59	-	-	-	-	-	-	-
Stock compensation charge	-	-	-	-	-	557.02	33.65	-	-	-	590.67
Forfeiture of options	-	-	-	-	-	(113.72)	-	113.72	-	-	-
Stock compensation related to options exercised	-	-	-	472.08	-	(472.08)	-	-	-	-	-
Profit for the year	-	-	-	-	-	-	-	17,725.08	-	-	17,725.08
Interim equity dividend	-	-	-	-	-	-	-	(16,405.35)	-	-	(16,405.35)
Remeasurement gains of defined benefit plan including income tax effect	-	-	-	-	-	-	-	-	15.46	-	15.46
Exchange differences on translation of financial statements of foreign branch	-	-	-	-	-	-	-	-	24.32	-	24.32
Remeasurement gains of defined benefit plan including income tax effect transferred to retained earnings	-	-	-	-	-	-	-	15.46	-	(15.46)	-
Balance as of March 31, 2023	86,397,179	431.99	0.01	17,364.31	10,145.19	1,532.58	124.27	30,387.71	68.12	-	60,054.18
Summary of material accounting policies [refer note 2] The accompanying notes form an integral part of the financial statements.											

As per our report of even date

For and on behalf of the Board of Directors of Oracle Financial Services Software Limited

For S. R. Battiboi & Associates LLP

Chartered Accountants

ICAI Firm Registration No. 101049W/E300004

per Govind Ahuja

Partner

Membership No. 048966

Mumbai, India**April 24, 2024****Sridhar Srinivasan**

Chairperson

DIN: 07240718

Makarand Padalkar

Managing Director

& Chief Executive Officer
DIN: 02115514**Mrugank Paranjape**

Director

DIN: 02162026

Avadhut Ketkar

Chief Financial Officer

Onkarnath Banerjee

Company Secretary

& Compliance Officer
ACS: 8547

Notes annexed to and forming part of financial statements for the year ended March 31, 2024

Note 1: Corporate information

Oracle Financial Services Software Limited (the 'Company') was incorporated in India with limited liability on September 27, 1989. The Company is domiciled in India and has its registered office at Mumbai, Maharashtra, India. The Company is a subsidiary of Oracle Global (Mauritius) Limited holding 72.75% (March 31, 2023 - 72.98%) ownership interest in the Company as at March 31, 2024.

The Company is principally engaged in the business of providing information technology solutions to the financial services industry worldwide. The Company has a suite of banking products, which caters to the transaction processing and compliance needs of corporate, retail, investment banking, treasury operations and data warehousing.

The standalone financial statements for the year ended March 31, 2024, were approved by the Company's Board of Directors for issue on April 24, 2024.

Note 2: Material accounting policies

2.1 Basis of preparation

The standalone financial statements include the financial information of the branches located at Dubai and Abu Dhabi. The branch located at Russia was closed down and tax deregistered on February 21, 2024 and its financial information until such date is included in the standalone financial statements.

These standalone financial statements comprising of balance sheet as at March 31, 2024, statement of profit and loss, statement of changes in equity and statement of cash flows for the year then ended have been prepared in accordance with Ind AS as prescribed under Section 133 of the Companies Act, 2013 (the 'Act') read with relevant rules of the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

The standalone financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- certain financial assets and liabilities, including derivative instruments, that are measured at fair value
- assets held for sale
- defined benefit plan
- share-based payments

2.2 Summary of material accounting policies

The material accounting policies adopted by the Company, in respect of the financial statements are set out as below:

(a) Property, plant and equipment, capital work-in-progress and depreciation

Property, plant and equipment and capital work-in-progress

Freehold land is stated at cost. All other items of property, plant and equipment and capital work in progress, are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in the statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. All additions during the reported year are considered at cost.

An item of property, plant and equipment is derecognized at its carrying value on disposal; and any gain or loss arising from such derecognition is included in the statement of profit or loss when the item is derecognized.

The Company purchases certain specific-use application software, which is in ready to use condition, for internal use. It is estimated that such software has a relatively short useful life, usually less than one year. The Company, therefore, charges to the statement of profit and loss the cost of acquiring such software.

Depreciation

Depreciation is computed as per the straight-line method using the rates arrived at based on the useful lives estimated by the management. The estimated useful life considered for depreciation of fixed assets is as follows:

Asset description	Asset life (in years)
Improvement to leasehold premises	Lesser of 7 years or lease term
Buildings	20
Computer equipments	3
Office equipments	2-5
Electricals and other installations	2-7
Furniture and fixtures	2-7

The residual values, useful lives, and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

The management has estimated, supported by an independent assessment by professionals, the useful lives of buildings as 20 years. These lives are lower than those indicated in schedule II to the Act.

The management has estimated, based on an internal assessment, the useful lives of the following classes of assets:

- The useful lives of servers and networking equipment's forming part of computer equipment's are estimated as 3 years. These lives are lower than those indicated in schedule II to the Act.
- The useful lives of furniture and fixtures and electrical and other installations are estimated at 2-7 years. These lives are lower than those indicated in schedule II to the Act.

(b) Impairment of non-financial assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets or cash generating units' ('CGU') fair value less cost of disposal, and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to assets.

In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are validated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators. The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated.

(c) Foreign currencies

The standalone financial statements are presented in Indian Rupees ('INR'), which is the functional currency of the Company. For each branch, the Company determines the functional currency and items included in the financial statements of each branch are measured using that functional currency.

Foreign currency balances

Transactions in foreign currencies are initially recorded by the Company's branches at their respective functional currency using spot rates on the date the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the relevant functional currency at exchange rates at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognized in the statement of profit and loss.

Non- monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

The assets and liabilities of foreign branches are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the date of the transactions. For practical reasons, the Company uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the date of the transactions. The exchange differences arising on translation for branch consolidation are recognized in Other Comprehensive Income ('OCI').

In accordance with Appendix B to Ind AS 21 "Foreign Currency Transactions and Advance Considerations", the date of the transaction for the purpose of determining the exchange rate to be used on initial recognition of the related asset or liability, expense, or income, is when the Company has received or paid advance consideration in foreign currency.

(d) Revenue recognition

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration that the Company expects to receive in exchange for those products or services.

In arrangements for software development and related services along with maintenance services, the Company has applied the guidance as per Ind AS 115, 'Revenue from Contracts with Customers', by applying revenue recognition criteria for each distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. For software licenses, the Company is using a residual approach for estimating the standalone selling price of software license as the pricing is highly variable.

For software development and related services, the performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses.

The Company accounts for modifications to existing contracts by assessing whether the services added are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch-up basis, while those that are distinct are accounted for prospectively, either as a separate contract if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

The Company presents revenues net of indirect taxes in its standalone statement of profit and loss.

Performance obligation

Revenue from licenses where the customer obtains a "right to use" the licenses is recognized at the time the license is made available to the customer. Where the license is required to be substantially customized as part of the implementation service the entire arrangement fee for license and implementation is considered to be a single performance obligation and the revenue is recognized using the percentage-of-completion method as the implementation is performed.

Product maintenance revenue is recognized rateably over the period of the contract.

Revenue from fixed price contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized by reference to the stage of completion. Stage of completion is measured by reference to labor hours incurred to date as a percentage of total estimated labor hours for each contract. When the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are eligible to be recovered.

Revenue from contracts on time and material basis is recognized as services are performed.

Contract balances

Revenue in excess of billing is classified as contract asset i.e., unbilled revenue while billing in excess of revenue is classified as contract liability i.e., deferred revenue. Contract assets are classified as unbilled receivables when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Unbilled revenues are classified as non-financial asset if the contractual right to consideration is dependent on completion of contractual milestones.

Deferred contract costs are incremental costs of obtaining a contract which are recognized as assets and amortized over the benefit period.

(e) Income tax

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company and its branches operate and generate taxable income.

Current income tax relating to items recognized outside statement of profit or loss is recognized either in other comprehensive income or in equity. Current tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate, including provision required for uncertain tax treatment.

Current tax assets and current tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

Income tax consequence of dividends are linked more directly to past transactions or events that generates distributable profit. Therefore, the Company recognizes the income tax consequences of dividends in profit or loss, other comprehensive income, or equity according to where the Company originally recognizes those past transactions or events.

Deferred tax

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries and associates when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, and associates, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized either in other comprehensive income or in equity as applicable. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Appendix C to Ind AS 12 Uncertainty over Income Tax Treatments:

The interpretation in Appendix C to Ind AS 12 Uncertainty over Income Tax Treatments addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12. It does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The interpretation specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments based on the approach that better predicts the resolution of the uncertainty. In determining the approach that better predicts the resolution of the uncertainty, the Company has considered, (a) how it prepares its income tax filings and supports tax treatments; or (b) how the Company expects the taxation authority to make its examination and resolve issues that might arise from that examination.

(f) Investment properties

Investment properties are measured initially and subsequently at cost. Though the Company measures investment property using cost-based measurement, the fair value of investment property is disclosed annually in the notes which form an integral part of the financial statements. Fair values are determined based on an evaluation performed by an accredited external independent valuer applying a valuation technique as per the international norms and standards. Investment properties are derecognized either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from such disposal. The difference between the net sale proceeds and the carrying amount of asset is recognized in statement of profit and loss in the period of derecognition.

(g) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value so as to maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

At the reporting date, the Company analyzes the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the accounting policies. For this analysis, the Company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Company also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(h) Financial instruments – initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Company recognizes a financial asset or a liability in its balance sheet only when the entity becomes party to the contractual provisions of the instrument.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as financial assets measured at amortized cost, fair value through other comprehensive income or fair value through statement of profit or loss as appropriate. All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through statement of profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Investments in subsidiaries and associate are carried at cost as per Ind AS 27 - Separate Financial Statements.

Subsequent measurement

For purposes of subsequent measurement, financial assets of the Company are classified in three categories:

- Debt instruments measured at amortized cost
- Debt instruments at fair value through other comprehensive income ('OCI')
- Debt instruments, derivatives, and equity instruments at fair value through statement of profit or loss

Debt instruments measured at amortized cost

This category is the most relevant to the Company. Debt instruments are measured at amortized cost if the asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financial assets are amortized using the effective interest rate (EIR) method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss.

Debt instruments at fair value through OCI

Debt instruments are measured at fair value through other comprehensive income if the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has not designated any financial assets at fair value through OCI.

Debt instruments at fair value through profit or loss

Debt instruments at fair value through statement of profit or loss include assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments as defined by Ind AS 109 – Financial Instruments. Debt instruments at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of profit and loss.

Derecognition

A financial asset is derecognized i.e., removed from the Company's statement of financial position when:

- The contractual rights to the cash flows from the financial asset expire or
- The Company has transferred its contractual rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Impairment of financial assets

The Company applies expected credit loss ('ECL') model for measurement and recognition of impairment loss on the financial assets and credit risk exposure. For trade receivables the Company follows 'simplified approach' for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

The Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. Further, the trade receivables have customer concentration across the globe and therefore the Company also considers the socio-economic conditions of the regions where the customers are located.

At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

Impairment of investments

The carrying amounts of investments are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of an investment exceeds its recoverable amount.

Interest income

Interest income is recognized using the effective interest method.

Dividend income

Dividends are recognized in statement of profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of dividend can be measured reliably.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at amortized cost or financial liabilities at fair value through profit or loss, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade payables, accrued expenses, accrued compensation to employees, advance from customers, amounts due to subsidiaries, dividend, and dividend tax payable along with unpaid dividends.

Subsequent measurement

The Company measures all financial liabilities at amortized cost except for financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

Financial liabilities held for trading are measured at fair value through profit or loss. The Company has not designated any financial liability as at fair value through profit or loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a nonfinancial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109 – Financial Instruments, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognized in profit or loss, unless designated as effective hedging instruments.

(i) Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Company uses forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment
- Hedges of a net investment in a foreign operation

The Company enters into foreign currency forward contracts that is used to hedge risk of exposure of changes in the fair value of trade receivables on account of foreign currency rate movement. These derivative contracts are not designated as hedges and accounted for at fair value through statement of profit or loss and are included in other income, net.

(j) Leases

Company as a Lessee

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

The Company recognizes right-of-use asset and a corresponding lease liability for all lease arrangements in which the Company is a lessee, except for a short-term lease of 12 months or less and leases of low-value assets. For short term lease and low-value asset arrangements, the Company recognizes the lease payments as an operating expense on straight-line basis over the lease term.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease arrangement. Right-of-use assets and lease liabilities are measured according to such options when it is reasonably certain that the Company will exercise these options.

The right-of-use assets are recognized at the inception of the lease arrangement at the amount of the initial measurement of lease liability adjusted for any lease payments made at or before the commencement date of lease arrangement reduced by any lease incentives received, added by initial direct costs incurred and an estimate of costs to be incurred by the Company in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. Estimated useful life of right-of-use assets is determined on the basis of useful life of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is an indication that their carrying value may not be recoverable. Impairment loss, if any is recognized in the statement of profit and loss account.

The lease liability is measured at amortized cost, at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease arrangement or, if not readily determinable, at the incremental borrowing rate in the country of domicile of such leases. Lease liabilities are remeasured with corresponding adjustments to right-of-use assets to reflect any reassessment or lease modifications.

Company as a Lessor

Leases for which the Company is a lessor is classified as finance or operating lease. If the terms of the lease arrangement transfers substantially all the risks and rewards of ownership to the lessee, such lease arrangement is classified as finance lease. All other leases are classified as operating leases.

In case of sub-lease, the Company recognizes investment in sub-lease separately in the financial statements. The sub-lease is classified as a finance or operating lease by reference to the right-of-use asset arising from such lease arrangement. For operating leases, rental income is recognized on a straight-line basis over the term of the lease arrangement.

The weighted average incremental borrowing rate applied to lease liabilities recognized in the balance sheet at the date of initial application is 7.14 % with maturity between 2021 to 2025.

(k) Share based payments

Selected employees of the Company also receive remuneration in the form of share-based payments under stock option program of the Company.

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. The cost is recognized in employee benefit expenses, together with a corresponding increase in 'employee stock options outstanding' in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

The statement of profit and loss, expense or credit recognized in employee benefit expense represents the movement in cumulative expense recognized as at the beginning and end of the year.

Oracle Corporation, The Ultimate Holding Company of Oracle Financial Services Software Limited has extended its stock option program to selected employees of OFSS's overseas subsidiaries and branches. The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. The cost is recognized in employee benefit expenses over the period in which the performance and/or service conditions are fulfilled with a corresponding impact under statement of changes in equity as Contribution from Ultimate Holding Company.

Oracle Corporation has also extended its Employee Stock Purchase Plan (ESPP) to employees of OFSS. Under the plan, the employees are eligible to purchase the shares of Oracle Corporation at discounted price. The discount amount on the shares purchased during the year by employees is treated as Contribution from Ultimate Holding Company.

(l) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

(m) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Certain eligible employees of the Company on Indian payroll are entitled to Superannuation, a defined contribution plan. The Company makes monthly contributions until retirement or resignation of the employee which are recognized as an expense when incurred. The Company has no further obligations beyond its monthly contributions, the corpus of which is invested with the Life Insurance Corporation ('LIC') of India and HDFC Life.

Compensated absences which are expected to occur within twelve months after the end of the period in which employee renders the related services are recognized as undiscounted liability at the balance sheet date. The expected cost of compensated absences which are not expected to occur within twelve months after the end of the period in which employee renders related services are recognized at the present value based on actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method.

The Company operates a defined benefit gratuity plan in India, under which the Company makes contributions to a fund administered and managed by LIC and HDFC Life to fund the gratuity liability. Under this scheme, the obligation to pay gratuity remains with the Company, although LIC and HDFC Life administers the scheme.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in the statement of profit and loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognizes related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

(n) Cash dividend to equity shareholders of the Company

The Company recognizes a liability to make cash or noncash distributions to equity shareholders when the distribution is authorized, and the distribution is no longer at the discretion of the Company. As per the Act, a distribution of interim dividend is authorized when it is approved by the Board of Directors and final dividend is authorized when it is approved by the shareholders of the Company. A corresponding amount is recognized directly in other equity.

Note 3: Property, plant and equipment

(a) Year ended March 31, 2024

(Amounts in ₹ million)

Particulars	Gross carrying value				Depreciation				Net carrying value As at March 31, 2024	
	As at April 01, 2023	Additions	Sale / deletions	Translation gain (loss)	As at March 31, 2024	As at April 01, 2023	Additions	Sale / deletions		Translation (gain) loss
Freehold land	436.31	-	-	-	436.31	-	-	-	-	436.31
Improvement to leasehold premises	260.30	-	-	-	260.30	-	-	-	-	260.30
Buildings	2,089.95	-	-	-	2,089.95	101.79	-	-	-	1,581.88
Computer equipments	3,235.54	218.02	220.33	0.39	3,233.62	279.97	220.24	0.31	0.31	2,878.91
Office equipments	237.53	3.59	63.84	0.01	177.29	4.15	63.85	0.01	0.01	174.16
Electricals and other installations	949.76	1.12	1.12	-	949.76	5.59	1.12	-	-	919.99
Furniture and fixtures	1,033.91	51.26	11.24	0.03	1,073.96	45.81	11.11	0.02	0.02	945.56
Total	8,243.30	273.99	296.53	0.43	8,221.19	6,619.47	296.32	0.34	0.34	6,760.80
						Capital work-in-progress				24.97
										1,460.39
										1,485.36

(b) Year ended March 31, 2023

(Amounts in ₹ million)

Particulars	Gross carrying value				Depreciation				Net carrying value As at March 31, 2023	
	As at April 01, 2022	Additions	Sale / deletions	Translation gain (loss)	As at March 31, 2023	As at April 01, 2022	Additions	Sale / deletions		Translation (gain) loss
Freehold land	436.31	-	-	-	436.31	-	-	-	-	436.31
Improvement to leasehold premises	260.30	-	-	-	260.30	1.16	-	-	-	260.30
Buildings	2,089.95	-	-	-	2,089.95	103.95	-	-	-	1,480.09
Computer equipments	2,989.07	334.05	89.90	2.32	3,235.54	259.59	89.60	1.92	1.92	2,818.87
Office equipments	238.63	8.23	9.40	0.07	237.53	6.39	9.29	0.03	0.03	233.85
Electricals and other installations	925.51	27.50	3.25	-	949.76	5.55	3.25	-	-	915.52
Furniture and fixtures	1,039.55	14.81	20.80	0.35	1,033.91	48.02	20.54	0.33	0.33	910.84
Total	7,979.32	384.59	123.35	2.74	8,243.30	6,315.21	122.68	2.28	2.28	6,619.47
						Capital work-in-progress				0.23
										1,624.06

Particulars	(Amounts in ₹ million)			
	(a) Year ended March 31, 2024		(b) Year ended March 31, 2023	
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years
Projects in progress	24.97	-	-	-
Total	24.97	-	-	-

There are no projects as of March 31, 2024 and March 31, 2023, whose completion is overdue or has exceeded its cost compared to its original plan.

Note 4: Right-of-use asset

Particulars	(Amounts in ₹ million)			
	(a) Year ended March 31, 2024		(b) Year ended March 31, 2023	
	As at April 01, 2023	Additions	Sale / deletions	Translation gain (loss)
Right-of-use asset	771.85	-	-	2.42
Total	771.85	-	-	2.42

Particulars	(Amounts in ₹ million)			
	(a) Year ended March 31, 2024		(b) Year ended March 31, 2023	
	As at April 01, 2022	Additions	Sale / deletions	Translation gain (loss)
Right-of-use asset	757.42	5.47	4.46	13.42
Total	757.42	5.47	4.46	13.42

Note 5: Investment property

(a) Year ended March 31, 2024

Particulars	Gross carrying value				Depreciation			Net carrying value As at March 31, 2024	
	As at April 01, 2023	Additions	Sale / deletions	Translation gain (loss)	As at April 01, 2023	Additions	Sale / deletions		Translation (gain) loss
Freehold land	102.00	-	-	-	-	-	-	-	102.00
Total	102.00	-	-	-	-	-	-	-	102.00

(b) Year ended March 31, 2023

Particulars	Gross carrying value				Depreciation			Net carrying value As at March 31, 2023	
	As at April 01, 2022	Additions	Sale / deletions	Translation gain (loss)	As at April 01, 2022	Additions	Sale / deletions		Translation (gain) loss
Freehold land	102.00	-	-	-	-	-	-	-	102.00
Total	102.00	-	-	-	-	-	-	-	102.00

The Company's investment property consists of a portion of land at Pune, India.

The fair value of the investment property as at March 31, 2024 and March 31, 2023 is based on valuations performed by a registered IBBI valuer firm ANVI Technical Advisors India Pvt Ltd which is associated with Colliers International India Property Services Private Limited. The fair value of the above investment property as at March 31, 2024 and March 31, 2023 is ₹ 250.00 million and ₹ 247.00 million respectively.

The direct operating expenses incurred in relation to investment property are ₹ 3.64 million and ₹ 3.32 for the financial year ended March 31, 2024 and March 31, 2023 respectively. These expenses are included in repairs and maintenance under note 22: other operating expenses.

The Company has no restrictions on the realizability of its investment properties and has no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements. Fair value hierarchy disclosures for investment properties have been provided in note 24 on fair value measurement.

Reconciliation of fair value:	(Amounts in ₹ million)	
	March 31, 2024	March 31, 2023
Fair value of investment property at beginning of the year	247.00	237.60
Adjustment towards fair values for the year	3.00	9.40
Fair value of investment property at end of the year	250.00	247.00

Description of valuation techniques used and key inputs to valuation on investment properties:	(Amounts in ₹, except percentages)	
	March 31, 2024	March 31, 2023
Valuation technique	Discounted Cash Flow (DCF) Method	Discounted Cash Flow (DCF) Method
Significant unobservable inputs	Quoted rental per sq. ft. per month ₹ 63 to ₹ 65 Negotiation, discount, location and physical adjustments -15% to 2.5% Final adjusted rental per sq. ft. per month ₹ 49 to ₹ 55	Quoted rental per sq. ft. per month ₹ 65 to ₹ 70 Negotiation, discount, location and physical adjustments -15% to 0% Final adjusted rental per sq. ft. per month ₹ 49 to ₹ 52
Description of valuation technique	Financial modelling technique is used, based on explicit assumptions regarding the prospective income arising out of the development to be carried out on the property. The entire development cash flows are drawn up and assumptions are made about the market performance over the entire project frame. Other contributors such as demand / supply dynamics, construction costs, quality and infrastructure requirements, time frame of project and profits / returns is compiled to create a financial model that captures all market drivers and value impacting parameters.	

Note 6: Investments in subsidiaries (unquoted) (at cost, unless otherwise stated)

(Amounts in ₹ million, except share data)

	March 31, 2024	March 31, 2023
(i) In wholly owned subsidiaries		
Oracle (OFSS) ASP Private Limited		
5,170,000 (March 31, 2023 - 5,170,000) equity shares of ₹ 10 each, fully paid-up	46.10	46.10
Impairment on investment	(5.40)	(5.40)
	40.70	40.70
Oracle Financial Services Software B.V.		
140,000 (March 31, 2023 - 140,000) equity shares of EUR 100 each, fully paid-up	776.31	776.31
Equity contribution for stock options / OSUs	32.18	32.18
	808.49	808.49
Oracle Financial Services Software Pte. Ltd.		
250,000 (March 31, 2023 - 250,000) equity shares of SGD 1 each, fully paid-up	6.63	6.63
Equity contribution for stock options / OSUs	123.76	123.59
	130.39	130.22
Oracle Financial Services Software America, Inc.		
1 (March 31, 2023 - 1) equity share of USD 0.01 each, fully paid-up	3,452.26	3,452.26
100 (March 31, 2023 - 100) Series A Convertible Participating Preference Shares of USD 0.01 each, fully paid-up	2,839.49	2,839.49
Fair valuation of loan	52.88	52.88
Equity contribution for stock options / OSUs	73.49	72.55
	6,418.12	6,417.18
Oracle Financial Services Software (Shanghai) Limited		
100% (March 31, 2023- 100%) subscription to the registered capital	45.51	45.51
Equity contribution for stock options / OSUs	0.54	0.54
	46.05	46.05
Oracle Financial Services Software Chile Limitada		
100% (March 31, 2023 - 100%) subscription to the registered capital	70.49	70.49
Equity contribution for stock options / OSUs	10.39	10.39
	80.88	80.88
ISP Internet Mauritius Company		
30,000 (March 31, 2023 - 30,000) equity shares of no par value	192.12	192.12
Fair valuation of loan	113.70	113.70
Equity contribution for stock options / OSUs	34.52	34.52
Impairment on investment and fair valuation of loan	(167.36)	(167.36)
	172.98	172.98
Oracle (OFSS) Processing Services Limited		
1,300,000 (March 31, 2023 - 1,300,000) equity shares of ₹ 10 each, fully paid-up	13.00	13.00
Mantas India Private Limited		
1,499,940 (March 31, 2023 - 1,499,940) equity shares of ₹ 10 each, fully paid-up	20.28	20.28
Oracle (OFSS) BPO Services Limited		
5,808,660 (March 31, 2023 - 5,808,660) equity shares of ₹ 10/- each, fully paid-up	167.60	167.60
Equity contribution for stock options / OSUs	13.75	8.27
	181.35	175.87
Aggregate amount of unquoted investments	7,912.24	7,905.65
Aggregate amount of impairment of unquoted investments	172.76	172.76

Note 7: Financial assets

(Amounts in ₹ million, except share data)

	March 31, 2024	March 31, 2023
Non-current		
Other financial assets at fair value through profit or loss		
Investment in Sarvatra Technologies Private Limited (unquoted)*		
242,240 (March 31, 2023 - 242,240) equity shares of ₹ 10 each, fully paid-up	–	–
	–	–
Other financial assets measured at amortized cost		
Deposits for premises and others	637.73	633.97
	637.73	633.97
	637.73	633.97
Current		
Other financial assets measured at amortized cost		
Unbilled receivable	3,079.44	1,972.93
Amount receivable from subsidiaries	1,208.39	30.55
Deposits for premises and others	75.59	37.03
Other receivables and advances	145.30	171.95
	4,508.72	2,212.46

*The Company had made an investment of ₹ 45.00 million and the same has been fair valued as at the balance sheet date.

Breakup of financial assets measured at amortized cost

(Amounts in ₹ million)

	March 31, 2024	March 31, 2023
Deposits for premises and others	713.32	671.00
Unbilled receivable	3,079.44	1,972.93
Amount receivable from subsidiaries	1,208.39	30.55
Other receivables and advances	145.30	171.95
Trade receivables [note 8]	8,198.41	6,309.19
Cash and bank balances [note 9]	32,875.98	34,540.61
	46,220.84	43,696.23

Note 8: Trade receivables

(Amounts in ₹ million)

	March 31, 2024	March 31, 2023
Unsecured, considered good	8,704.54	6,526.97
Credit impaired	163.62	110.20
	8,868.16	6,637.17
Impairment allowance		
Unsecured, considered good	(506.13)	(217.78)
Credit impaired	(163.62)	(110.20)
	(669.75)	(327.98)
	8,198.41	6,309.19

No trade receivables are due from directors or other key managerial personnel of the Company either severally or jointly with any other person. Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

Trade receivables ageing

(Amounts in ₹ million)

As at March 31, 2024	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed trade receivables							
Considered good	5,125.96	2,962.57	282.97	328.99	2.56	1.49	8,704.54
Credit impaired	–	–	–	–	–	–	–
Disputed trade receivables							
Considered good	–	–	–	–	–	–	–
Credit impaired	–	9.53	80.68	49.83	19.53	4.05	163.62
	5,125.96	2,972.10	363.65	378.82	22.10	5.54	8,868.16
Less: Impairment allowance							(669.75)
							8,198.41
Add: Unbilled receivable							3,079.44
							11,277.85

(Amounts in ₹ million)

As at March 31, 2023	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed trade receivables							
Considered good	3,090.00	3,218.91	212.76	3.74	–	1.56	6,526.97
Credit impaired	–	–	–	–	–	–	–
Disputed trade receivables							
Considered good	–	–	–	–	–	–	–
Credit impaired	–	18.94	18.01	62.86	2.05	8.34	110.20
	3,090.00	3,237.85	230.77	66.60	2.05	9.90	6,637.17
Less: Impairment allowance							(327.98)
							6,309.19
Add: Unbilled receivable							1,972.93
							8,282.12

Note 9: Cash and bank balances

(Amounts in ₹ million)

	March 31, 2024	March 31, 2023
(a) Cash and cash equivalents		
Balances with banks:		
In current accounts	1,486.62	1,160.26
In deposit accounts with original maturity of less than 3 months	12,140.22	210.03
In unclaimed dividend accounts*	37.96	38.05
	13,664.80	1,408.34
(b) Other bank balances		
Balances with banks:		
In deposit accounts with original maturity of more than 3 months but less than 12 months	19,211.18	33,132.27
	19,211.18	33,132.27
	32,875.98	34,540.61

*These balances will be utilized only towards the respective unpaid dividend.

Cash at banks earns interest at floating rates based on the daily bank deposit rates and the daily balances. Time deposits are placed for varying periods ranging from 7 days to 364 days, depending on the immediate cash requirements of the Company. The time deposits earn interest at the respective deposit rates.

Changes in liabilities arising from financing activities is primarily due to repayment of lease liabilities [Refer note 28 - Leases].

Note 10: Other assets

	(Amounts in ₹ million)	
	March 31, 2024	March 31, 2023
Non-current		
GST, VAT, service tax and other indirect taxes	295.85	297.35
Tax deducted at source paid under protest	936.72	921.80
Prepaid expenses	5.97	0.55
Deferred contract cost	43.05	32.89
	1,281.59	1,252.59
Current		
Unbilled revenue	1,681.53	1,368.46
GST, VAT, service tax and other indirect taxes	143.98	102.55
Prepaid expenses	163.13	138.32
Deferred contract cost	28.89	23.07
	2,017.53	1,632.40

Note 11: Equity share capital

	(Amounts in ₹ million)	
	March 31, 2024	March 31, 2023
Authorized:		
100,000,000 (March 31, 2023 - 100,000,000) equity shares of ₹ 5 each	500.00	500.00
Issued, subscribed and fully paid-up:		
86,671,656 (March 31, 2023 - 86,397,179) equity shares of ₹ 5 each	433.36	431.99

- (a) The Company has only one class of equity shares having a par value of ₹ 5 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

- (b) Details of shareholders holding more than 5% equity shares in the Company:

Name and relationship of shareholder:	March 31, 2024	March 31, 2023
Oracle Global (Mauritius) Limited, holding company		
Number of equity shares	63,051,197	63,051,197
% of equity shares	72.75%	72.98%

As per records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of equity shares.

- (c) Reconciliation of equity outstanding at the beginning and at the end of the year

	No. of equity shares	Amounts in ₹ million
Outstanding as at March 31, 2022	86,246,465	431.23
Issued during the year ended March 31, 2023 under the employee stock option plan (ESOP)	150,714	0.76
Outstanding as at March 31, 2023	86,397,179	431.99
Issued during the year ended March 31, 2023 under the employee stock option plan (ESOP)	274,477	1.37
Outstanding as at March 31, 2024	86,671,656	433.36

- (d) Refer note 29 (b) for details of shares reserved for issue under the employee stock option plan (ESOP) of the Company.

Note 12: Other equity

(Amounts in ₹ million)

	March 31, 2024	March 31, 2023
Share application money pending allotment	2.72	0.01
Securities premium	18,373.95	17,364.31
General reserve	10,145.19	10,145.19
Employee stock options outstanding	1,326.40	1,532.58
Contribution from Ultimate Holding Company	163.25	124.27
Retained earnings	31,325.71	30,387.71
Other comprehensive income	74.23	68.12
	61,411.45	59,622.19

Share application money pending allotment

Share application money pending allotment represents the amount received on exercise of stock options by the eligible employees under the prevailing ESOP schemes of the Company, on which allotment is yet to be made.

Share application money pending allotment as at March 31, 2024 represents the money received from employees of the Company towards exercise of 803 (March 31, 2023 - 1,518) OFSS Stock Units ("OSUs") at the exercise price of ₹ 5 and towards exercise of 800 (March 31, 2023 - Nil) OFSS Stock Options at the exercise price of ₹ 3,392.85 under Oracle Financial Services Software Limited Stock Plan 2014 ("OFSS Stock Plan 2014"). Each OSUs will entitle one equity share of ₹ 5 each of the Company.

Securities premium

Securities premium represents amount received in excess of face value on issue of shares by the Company. It also includes transfer of stock compensation related to options exercised from employee stock options outstanding (other equity). The securities premium will be utilized in accordance with the provisions of the Act.

General reserve

General reserve represents the amount of profits appropriated by the Company in earlier years, before declaring dividends, pursuant to the provisions of the erstwhile Companies Act, 1956.

Employee stock options outstanding

Selected employees of the Company also receive remuneration in the form of share-based payments under stock option program of the Company. Employee stock options outstanding represents the fair value of equity-settled transactions, calculated at the date when the grant is made using an appropriate valuation model and recognized over the period in which the performance and/or service conditions are fulfilled.

Contribution from Ultimate Holding Company

Oracle Corporation, the Ultimate Holding Company of Oracle Financial Services Software Limited has extended its stock option program to selected employees of the Company's overseas branches. Contribution from Ultimate Holding Company represents the fair value of equity-settled transactions; calculated at the date when the grant is made using an appropriate valuation model and recognized over the period in which the performance and/or service conditions are fulfilled.

Oracle Corporation has also extended its Employee Stock Purchase Plan (ESPP) to employees of the Company. Under the plan, the employees are eligible to purchase the shares of Oracle Corporation at discounted price. The discount amount on the shares purchased during the year by employees is treated as Contribution from Ultimate Holding Company.

Retained earnings

Retained earnings represents the undistributed earnings, net of amounts transferred to general reserve; if any.

The Board of Directors have declared an interim dividend on April 24, 2024 of ₹ 240 per equity share for the financial year 2023-24. This would result in an estimated cash outflow of ₹ 20,820.00 million.

The Board of Directors had declared an interim dividend on April 26, 2023 of ₹ 225 per equity share for the year ended March 31, 2023. This had resulted in cash outflow of ₹ 19,459.67 million.

Other comprehensive income

Other comprehensive income represents the exchange differences arising on translation of foreign branches and the remeasurements of the defined benefit gratuity plan; comprising of actuarial gains and losses on its net liabilities / assets.

Note 13: Financial liabilities

(Amounts in ₹ million)

	March 31, 2024	March 31, 2023
Current		
(a) Trade payables measured at amortized cost		
- Payable to micro and small enterprises*	5.27	26.65
- Payable to other than micro and small enterprises	199.35	208.50
	204.62	235.15
(b) Other financial liabilities		
Derivative instruments at fair value through profit or loss		
Derivatives not designated as hedges		
Foreign exchange forward contract, net**	8.59	1.63
	8.59	1.63
Other financial liabilities measured at amortized cost		
Amount due to subsidiaries	250.62	165.72
Accrued expenses	532.52	420.04
Accrued compensation to employees	630.07	562.13
Capital creditors	58.54	47.32
Unpaid dividends***	37.96	38.05
	1,509.71	1,233.26
	1,518.30	1,234.89

*(i) The identification of Micro and Small Enterprises is based on Management's knowledge of their status.

** (ii) The Company entered into foreign exchange forward contracts with the intention of reducing the foreign exchange risk of trade receivables. These contracts are not designated in hedge relationships and are measured at fair value through profit or loss.

*** (iii) There is no amount due and outstanding as at balance sheet date to be credited to the Investor Education and Protection Fund.

Dues to micro and small enterprises - As per Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED' Act)

(Amounts in ₹ million)

- Principal amount remaining unpaid to any supplier as at the end of the year.	5.27	26.65
- Amount of interest due remaining unpaid to any supplier as at the end of the year.	-	-
- Amount of interest paid under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year.	-	-
- Amount of interest due and payable for the period of delay in making payment (where the principal has been paid but interest under the MSMED Act, 2006 not paid).	-	-
- Amount of interest accrued and remaining unpaid at the end of year.	-	-
- Amount of further interest remaining due and payable even in the succeeding year.	-	-
	5.27	26.65

Terms and conditions of financial liabilities:

- Trade payables are non-interest bearing and are normally settled on 30-day terms
- Other financial liabilities are normally settled as and when due

Ageing of trade payables

(Amounts in ₹ million)

As at March 31, 2024	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed trade payables						
- To micro and small enterprises	5.27	-	-	-	-	5.27
- To other than micro and small enterprises	26.29	171.04	1.40	0.14	0.48	199.35
Disputed trade payables						
- To micro and small enterprises	-	-	-	-	-	-
- To other than micro and small enterprises	-	-	-	-	-	-
	31.56	171.04	1.40	0.14	0.48	204.62

(Amounts in ₹ million)

As at March 31, 2023	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed trade payables						
- To micro and small enterprises	21.12	5.43	0.10	-	-	26.65
- To other than micro and small enterprises	39.47	166.65	1.19	0.14	1.05	208.50
Disputed trade payables						
- To micro and small enterprises	-	-	-	-	-	-
- To other than micro and small enterprises	-	-	-	-	-	-
	60.59	172.08	1.29	0.14	1.05	235.15

Note 14: Other liabilities

(Amounts in ₹ million)

	March 31, 2024	March 31, 2023
Current		
Deferred revenue	1,297.83	1,080.76
Withholding and other taxes	297.99	239.20
Other statutory dues	146.45	158.15
	1,742.27	1,478.11
Non-current		
Deferred revenues	50.18	70.88
	50.18	70.88

Note 15: Provisions

(Amounts in ₹ million)

	March 31, 2024	March 31, 2023
Non-current		
For gratuity [Refer note 30]	1,828.48	1,601.39
	1,828.48	1,601.39
Current		
For gratuity [Refer note 30]	149.25	137.26
For compensated absence	1,297.23	1,147.07
	1,446.48	1,284.33

Note 16: Income taxes

(a) The major components of income tax expense are:

(Amounts in ₹ million)

	Year ended March 31, 2024	Year ended March 31, 2023
(i) Profit or loss section		
Current taxes	6,348.89	5,809.39
Deferred tax	(266.50)	(102.49)
Income tax expense reported in the statement of profit and loss	6,082.39	5,706.90
(ii) Other Comprehensive Income section		
Deferred tax on actuarial (loss) gain on gratuity fund	(21.03)	(5.20)
Income tax expense charge reported in Other Comprehensive Income	(21.03)	(5.20)

(b) Reconciliation of tax expense and accounting profit:

(Amounts in ₹ million)

	March 31, 2024	March 31, 2023
Profit before tax	26,361.58	23,431.98
Enacted tax rates in India	25.17%	25.17%
Computed expected tax expenses	6,634.68	5,897.36
Tax effect		
of earlier years	(8.95)	44.64
on non-deductible expenses for tax purpose	129.00	121.68
on exempt income	–	(234.60)
overseas taxes (credit) / charge	(553.00)	81.52
correlative relief	(102.00)	(208.32)
others	(17.34)	4.62
Income tax expense reported in statement of profit and loss	6,082.39	5,706.90

(c) The tax effect of significant temporary differences that resulted in deferred tax asset are as follows:

(Amounts in ₹ million)

	As at April 1, 2023	Recognized in profit or loss	Recognized in OCI	As at March 31, 2024
Deferred tax assets				
Difference between book and tax depreciation	162.40	5.60	–	168.00
Provision for compensated absence	288.69	37.31	–	326.00
Provision for gratuity	437.58	102.45	(21.03)	519.00
Impairment loss on contract assets	87.92	116.08	–	204.00
Other timing differences	64.65	5.06	–	69.71
	1,041.24	266.50	(21.03)	1,286.71

(Amounts in ₹ million)

	As at April 1, 2022	Recognized in profit or loss	Recognized in OCI	As at March 31, 2023
Deferred tax assets				
Difference between book and tax depreciation	159.67	2.73	–	162.40
Provision for compensated absence	260.73	27.96	–	288.69
Provision for gratuity	377.94	64.84	(5.20)	437.58
Impairment loss on contract assets	50.20	37.72	–	87.92
Other timing differences	95.41	(30.76)	–	64.65
	943.95	102.49	(5.20)	1,041.24

Deferred tax asset and deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities.

Note 17: Revenue from operations

(Amounts in ₹ million)

	Year ended March 31, 2024	Year ended March 31, 2023
Product licenses and related activities	43,974.31	38,840.10
IT solutions and consulting services	3,870.65	3,715.71
	47,844.96	42,555.81

Note 18: Finance income

(Amounts in ₹ million)

	Year ended March 31, 2024	Year ended March 31, 2023
Interest on financial assets measured at amortized cost:		
Balance with banks in current and deposit accounts	1,616.57	1,289.56
Deposits for premises and others	49.70	46.02
Interest on income tax refund	741.59	–
	2,407.86	1,335.58

Note 19: Other (expense) income, net

(Amounts in ₹ million)

	Year ended March 31, 2024	Year ended March 31, 2023
Fair value gain (loss) on derivatives not designated as hedges	36.78	(154.75)
Foreign exchange (loss) gain, net	(122.15)	376.00
(Loss) profit on sale of property, plant and equipment, net	(0.17)	0.22
Miscellaneous income	73.84	37.18
Dividend from subsidiary companies	–	932.14
	(11.70)	1,190.79

Note 20: Employee benefit expenses

(Amounts in ₹ million)

	Year ended March 31, 2024	Year ended March 31, 2023
Salaries and bonus	16,770.39	15,742.49
Contribution to provident and other funds	1,283.87	1,094.72
Stock compensation expense	688.50	584.81
Staff welfare expenses	436.07	297.20
	19,178.83	17,719.22

Note 21: Finance cost

(Amounts in ₹ million)

	Year ended March 31, 2024	Year ended March 31, 2023
Interest on lease liability	21.11	32.12
	21.11	32.12

Note 22: Other operating expenses

(Amounts in ₹ million)

	Year ended March 31, 2024	Year ended March 31, 2023
Application software	16.04	11.81
Communication expenses	70.22	74.53
Rent	66.08	59.42
Power	192.69	140.14
Insurance	23.61	22.73
Repairs and maintenance:		
Buildings and leasehold premises	49.22	29.76
Computer equipments	20.70	17.82
Others	103.11	78.10
Rates and taxes	104.21	41.87
Impairment loss recognized on contract assets	455.82	139.94
Impairment loss recognized on other financial assets	7.40	7.54
Bad debts	64.28	74.97
Corporate Social Responsibility	481.06	455.89
Auditors' remuneration	19.68	19.96
Miscellaneous expenses	198.10	154.34
	1,872.22	1,328.82

Note 23: Financial ratios

Particulars	Numerator	Denominator	March 31, 2024	March 31, 2023	Variance
(a) Current ratio (in times)	Total current assets	Total current liabilities	9.37	10.10	-7%
(b) Return on equity ratio (in %)	Profit for the year	Average total equity	33%	30%	11%
(c) Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	6.60	7.17	-8%
(d) Trade payables turnover ratio (in times)	Purchases of services and other expenses	Average trade payables	8.66	10.31	-16%
(e) Net capital turnover ratio (in times)	Revenue from operations	Total current assets less total current liabilities	1.13	1.06	7%
(f) Net profit ratio (in %)	Profit for the year	Revenue from operations	42%	42%	2%
(g) Return on capital employed (in %)	Profit before tax and finance cost	Net worth + lease liabilities + deferred tax liabilities	42%	39%	9%
(h) Debt equity ratio (in times)	Total debts (lease liabilities)	Total equity	0.00	0.01	-100%*
(i) Debt service coverage ratio (in times)	Profit for the year + non-cash operating expenses + finance cost + Other non-cash adjustments	Lease payments (repayment of lease liability + finance cost)	117.85	108.91	8%
(j) Return on investment (in %)	Dividend from subsidiary company	Average investments in subsidiaries	–	12%	-100%**

*Debt equity ratio has reduced on account of payment of lease liabilities.

**During the year ended March 31, 2023 the Company has received dividend from its wholly owned subsidiary companies.

Note 24: Fair values

The management has assessed that fair value of financial instruments approximates their carrying amounts largely due to the short term maturities of these instruments.

The carrying value and fair value of financial instruments by categories as at March 31, 2024 and March 31, 2023 are as follows:

(Amounts in ₹ million)

Particulars	Amortized cost	As at March 31, 2024		As at March 31, 2023		Fair value through profit or loss	Carrying value	Fair value
		Fair value through profit or loss	Carrying value	Fair value	Amortized cost			
Assets								
Trade receivables	8,198.41	–	8,198.41	8,198.41	6,309.19	–	6,309.19	6,309.19
Cash and cash equivalents	13,664.80	–	13,664.80	13,664.80	1,408.34	–	1,408.34	1,408.34
Other bank balances	19,211.18	–	19,211.18	19,211.18	33,132.27	–	33,132.27	33,132.27
Other financial assets	5,146.45	–	5,146.45	5,146.45	2,846.43	–	2,846.43	2,846.43
	46,220.84	–	46,220.84	46,220.84	43,696.23	–	43,696.23	43,696.23
Liabilities								
Lease liabilities	232.23	–	232.23	232.23	391.96	–	391.96	391.96
Trade payables	204.62	–	204.62	204.62	235.15	–	235.15	235.15
Derivatives not designated as hedges	–	8.59	8.59	8.59	–	1.63	1.63	1.63
Other financial liabilities	1,509.71	–	1,509.71	1,509.71	1,233.26	–	1,233.26	1,233.26
	1,946.56	8.59	1,955.15	1,955.15	1,860.37	1.63	1,862.00	1,862.00

Fair value hierarchy:

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Fair value measurement hierarchy for assets and liabilities as at March 31, 2024:

(Amounts in ₹ million)

Particulars	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets for which fair values are disclosed:					
Investment property [Refer note 5]	March 31, 2024	250.00	–	250.00	–
Liabilities measured at fair value:					
Foreign exchange forward contract, net [Refer note 13]	March 31, 2024	8.59	–	8.59	–

Fair value measurement hierarchy for assets and liabilities as at March 31, 2023:

(Amounts in ₹ million)

Particulars	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets for which fair values are disclosed:					
Investment property [Refer note 5]	March 31, 2023	247.00	–	247.00	–
Liabilities measured at fair value:					
Foreign exchange forward contract, net [Refer note 13]	March 31, 2023	1.63	–	1.63	–

The following methods and assumptions are used to estimate the fair values:

The Company enters into derivative financial instruments with various banks. Foreign exchange forward contracts are valued using valuation techniques, which employ the use market observable inputs. The most frequently applied valuation techniques include forward pricing using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies.

There have been no transfers between Level 1 and Level 2 during the periods March 31, 2024 and March 31, 2023.

Note 25: Reconciliation of basic and diluted equity shares used in computing earnings per share

(Number of equity shares)

	Year ended March 31, 2024	Year ended March 31, 2023
Weighted average shares outstanding for basic earnings per share	86,561,856	86,360,061
Add: Effect of dilutive component of stock options	553,866	370,687
Weighted average shares outstanding for diluted earnings per share	87,115,722	86,730,748
Profit attributable to equity shareholders (In ₹ million)	20,279.19	17,725.08
Earnings per equity share of par value of ₹ 5 (March 31, 2023 ₹ 5) each (in ₹)		
Basic	234.27	205.25
Diluted	232.78	204.37

Note 26: Significant accounting judgements, estimates and assumptions

The preparation of the Company's standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions and estimate at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are described below. These assumptions and estimates are based on available parameters as on the date of preparation of standalone financial statements. These assumptions and estimates, however, may change due to market changes or circumstances arising that are beyond the control of the Company.

(i) Leases

The Company has entered into commercial property leases for its offices.

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term and the applicable discount rate. The Company has lease contracts which include extension and termination option and this requires exercise of judgement by the Company in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. The discount rate is generally based on the incremental borrowing rate specific to the lease period.

(ii) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the projections for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

(iii) Share based payments

The Company measures share-based payments and transactions at fair value and recognizes over the vesting period using Black Scholes valuation model. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and model used for estimating fair value for share-based payment transactions are disclosed in note 29 (b).

(iv) Taxes

Income tax expense comprises current tax expense and the net changes in the deferred tax asset or liability during the year. Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions, including disclosures thereof. Also refer note 2.2 (e), note 16 and note 39.

(v) Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment retirement benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date annually. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. For plans operated outside India, the management considers the interest rates of high-quality corporate bonds in currencies consistent with the currencies of the post-employment benefit obligation with at least

an 'AA' rating or above, as set by an internationally acknowledged rating agency, and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation. The underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation rates for the respective countries. Further details about gratuity obligations are given in note 30.

(vi) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See note 24 for further disclosures.

(vii) Revenue recognition

The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables. The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time.

In determining the transaction price for the contract, judgement is required to assess if the consideration is fixed or is considered variable and whether there is any constraint on such variable consideration such as volume discounts, service level credits and price concessions. The Company uses judgement to determine an appropriate standalone selling price for each performance obligation and allocates the transaction price to each performance obligation on the basis of the relative stand-alone selling price of each distinct product or service promised in the contract except for sale of software licenses, where the Company uses a residual approach for estimating the standalone selling price of software license as the pricing is highly variable.

Contract fulfilment costs are generally expensed as incurred except for certain contract costs which meet the criteria for capitalization. Such costs are amortized over the benefit period. The assessment of this criteria requires the application of judgement.

Note 27: Capital commitments

Particulars	(Amounts in ₹ million)	
	March 31, 2024	March 31, 2023
Towards property, plant and equipment		
Contracts remaining to be executed on capital account not provided for (net of advances)	262.06	61.57

Note 28: Leases

Where Company is lessee

The changes in the carrying values of right-of-use asset for the year ended March 31, 2024 and March 31, 2023 are given in note 4.

Set out below are the carrying amounts of lease liabilities and the movement during the year ended March 31, 2024 and March 31, 2023:

Particulars	(Amounts in ₹ million)	
	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	391.96	515.55
Modifications / additions	–	5.13
Interest on lease liability	21.11	32.12
Repayments	(181.81)	(170.46)
Exchange impact	0.97	9.62
At the end of the year	232.23	391.96

Particulars	(Amounts in ₹ million)	
	As at March 31, 2024	As at March 31, 2023
Current	169.95	160.77
Non current	62.28	231.19
Total	232.23	391.96

The maturity analysis of undiscounted lease liabilities as at March 31, 2024 and March 31, 2023 are as follows:

Particulars	(Amounts in ₹ million)	
	As at March 31, 2024	As at March 31, 2023
Less than 1 year	178.55	181.86
1 to 5 years	62.01	239.51
More than 5 years	–	–
Total	240.56	421.37

The following amounts are recognized in the statement of profit and loss for the year ended March 31, 2024 and March 31, 2023:

Particulars	(Amounts in ₹ million)	
	As at March 31, 2024	As at March 31, 2023
Depreciation expenses on right-of-use asset	160.31	159.19
Interest expense on lease liability	21.11	32.12
Expense relating to short-term leases and other service charges (included in other operating expenses as rent)	66.08	59.42
Total	247.50	250.73

The Company had total cash outflows for leases of ₹ 160.70 million (excluding interest) for the year ended March 31, 2024 (March 31, 2023 ₹ 138.34 million). The Company did not have any non-cash additions to right-of-use assets and lease liabilities. Further, there are no future cash outflows relating to leases that have not yet commenced.

There is no future income receivable from subleasing of right-of-use asset as at March 31, 2024 (March 31, 2023 - Nil).

The minimum rental payments to be made in future in respect of short-term leases as at March 31, 2024 and March 31, 2023 are as follows:

Particulars	(Amounts in ₹ million)	
	As at March 31, 2024	As at March 31, 2023
Less than 1 year	1.46	1.93
1 to 5 years	–	–
More than 5 years	–	–
Total	1.46	1.93

Note 29: Share based compensation / payments

(a) Employee Stock Purchase Scheme (“ESPS”)

The Company had adopted the ESPS administered through a Trust with the name i-flex Employee Stock Option Trust (“the Trust”) to provide equity-based incentives to key employees of the Company. i-flex Solutions Trustee Company Ltd. is the Trustee of this Trust.

No allocation of shares to the employees have been made through the Trust since 2005 and all selected employees under the Trust have exercised their right of purchase of shares prior to March 31, 2014. In this regard, the Trustee Company had filed a petition in the Honorable Bombay High Court to seek directions for utilization of the remaining unallocated shares along with the other assets held by the Trust for the benefit of the employees of the Company. As per the order of the Honorable Bombay High Court dated August 1, 2016, the Trust funds would be utilized for the benefit of the employees. Accordingly, during the financial year, the Trust has incurred an expenditure of ₹ 145.55 million (March 31, 2023 - ₹ 61.14 million) towards welfare of employees of the Company.

As at March 31, 2024, the Trust is not holding any equity shares (March 31, 2023 - Nil equity shares) of the Company.

(b) Employee Stock Option Plan (“ESOP”)

The Members of the Company at their Annual General Meeting held on August 14, 2001 had approved grant of ESOPs to the employees / directors of the Company and its subsidiaries up to 7.5% of the issued and paid-up capital of the Company from time to time. This said limit was enhanced and approved up to 12.5% of the issued and paid-up capital of the Company from time to time, by the Members at their Annual General Meeting held on August 18, 2011. This extended limit is an all-inclusive limit applicable for stock options (“options”) granted in the past and in force and those that will be granted by the Company in future.

Employees Stock Option Plan 2011 Scheme (“Scheme 2011”)

Pursuant to ESOP scheme approved by the shareholders of the Company in their meeting held on August 18, 2011, the Board of Directors approved the Scheme 2011. Accordingly, the Company has granted 1,950,500 options under the Scheme 2011. As per the Scheme 2011, each of 20% of the total options granted vest on completion of 12, 24, 36, 48 and 60 months from the date of grant.

A summary of the activity in the Company’s ESOP (Scheme 2011) is as follows:

	Year ended March 31, 2024		Year ended March 31, 2023	
	Shares arising from options	Weighted average exercise price (₹)	Shares arising from options	Weighted average exercise price (₹)
Outstanding at beginning of year	92,373	3,077	214,108	3,102
Granted	–	–	–	–
Exercised	(48,073)	3,077	(24,965)	3,100
Forfeited / Lapsed	(44,300)	3,077	(96,770)	3,126
Outstanding at end of the year	–	N.A.	92,373	3,077
Vested options	–		92,373	
Unvested options	–		–	
Options vested during the year	–		–	

Oracle Financial Services Software Limited Stock Plan 2014 (“OFSS Stock Plan 2014”)

Nomination and Remuneration Committee in their meeting held on August 7, 2014, approved OFSS Stock Plan 2014. Accordingly, the Company has granted 178,245 Stock Options and 1,719,811 OFSS Stock Units (“OSUs”) under OFSS Stock Plan 2014. The issuance terms of OSUs are the same as for options. Till March 2019, employees could elect to receive 1 OSU in lieu of 4 awarded options at their respective exercise price. In respect of the OFSS Stock Plan 2014, each of 25% of the total options / OSUs granted will vest on completion of 12, 24, 36 and 48 months from the date of grant.

A summary of the activity in the Company’s ESOP (OFSS Stock Plan 2014) is as follows:

	Year ended March 31, 2024		Year ended March 31, 2023	
	Shares arising from options and OSUs	Weighted average exercise price (₹)	Shares arising from options and OSUs	Weighted average exercise price (₹)
Outstanding at beginning of year	746,021	462	619,586	647
Granted	254,781	5	281,387	5
Exercised	(226,404)	251	(125,749)	16
Forfeited	(65,558)	131	(29,203)	1,911
Outstanding at end of the year	708,840	396	746,021	462
Vested options and OSUs	195,152		251,994	
Unvested options and OSUs	513,688		494,027	
Options vested during the year	172,962		137,215	

Any vesting is subject to continued employment of the employee with the Company or its subsidiaries. Options / OSUs have an exercise period of 10 years from the date of grant. The employee pays the exercise price and applicable taxes upon exercise of options / OSUs.

During the year ended March 31, 2024, the Company has granted 254,781 OSUs at an exercise price of ₹ 5 (March 31, 2023 - 281,387 OSUs at an exercise price of ₹ 5) under OFSS Stock Plan 2014. The weighted average share price for the year over which options / OSUs were exercised was ₹ 5,801 (March 31, 2023 - ₹ 3,181).

The details of total options / OSUs unvested and total options / OSUs vested and exercisable for OFSS Stock Plan 2014 as on March 31, 2024 are as follows:

	Exercise prices (₹)	Number of Options	Weighted average exercise price (₹)	Weighted average remaining contractual life (Years)
Options / OSUs unvested	5	513,688	5	8.7
Options / OSUs vested and exercisable	5	116,953	5	6.0
	3,241	19,748	3,241	1.0
	3,393	32,275	3,393	2.2
	3,579	4,038	3,579	3.2
	3,987	14,963	3,987	1.6
	4,158	7,175	4,158	4.2
		708,840	396	7.5

The details of total options / OSUs unvested and total options / OSUs vested and exercisable for both Scheme 2011 and OFSS Stock Plan 2014 as on March 31, 2023 are as follows:

	Exercise prices (₹)	Number of Options	Weighted average exercise price (₹)	Weighted average remaining contractual life (Years)
Options / OSUs unvested	5	494,027	5	8.7
Options / OSUs vested and exercisable	5	155,329	5	6.0
	3,077	92,373	3,077	0.5
	3,241	28,765	3,241	2.0
	3,393	36,700	3,393	3.2
	3,579	5,275	3,579	4.2
	3,987	17,300	3,987	2.6
	4,158	8,625	4,158	5.2
		838,394	750	6.6

Options / OSUs granted during the financial year ended March 31, 2024:

The weighted average fair value of options / OSUs granted during the year was ₹ 4,217 (March 31, 2023 - ₹ 3,053).

The Black Scholes valuation model has been used for computing the above weighted average fair value of options / OSUs granted considering the following inputs:

	Year Ended March 31, 2024				
	OFSS Stock Plan 2014 (OSU)				
	May, 2023	August, 2023	September, 2023	October, 2023	February, 2024
Weighted average share price (in ₹)	3,708	3,958	4,299	4,093	6,617
Exercise Price (in ₹)	5	5	5	5	5
Expected Volatility	25%	27%	28%	26%	32%
Weighted average life (in years)	2.92	3.16	3.26	3.16	3.16
Expected dividend rate	Nil	Nil	Nil	Nil	Nil
Average risk-free interest rate %	6.82%	7.02%	7.04%	7.19%	6.94%

	Year Ended March 31, 2023					
	OFSS Stock Plan 2014 (OSU)					
	May, 2022	August, 2022	September, 2022	October, 2022	November, 2022	December, 2022
Weighted average share price (in ₹)	3,517	3,342	3,037	2,965	2,947	3,023
Exercise Price (in ₹)	5	5	5	5	5	5
Expected Volatility	32%	31%	31%	30%	30%	29%
Weighted average life (in years)	2.92	2.92	3.26	2.92	2.92	2.92
Expected dividend rate	Nil	Nil	Nil	Nil	Nil	Nil
Average risk-free interest rate %	6.50%	6.55%	6.96%	7.11%	7.00%	6.88%

The expected volatility was determined based on historical volatility data; historical volatility includes early years of the Company's life; the Company expects the volatility of its share price to reduce as it matures.

Note 30: Employee benefit obligation

Defined contribution plans

During year ended March 31, 2024 and 2023, the Company contributed following amounts to defined contributions plans:

(Amounts in ₹ million)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Provident fund	760.21	694.99
Superannuation fund	135.94	135.07
	896.15	830.06

Defined benefit plan – gratuity

The amounts recognized in the statement of profit and loss for the year ended March 31, 2024 and 2023 are as follows:

(Amounts in ₹ million)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Current service cost	268.87	163.86
Interest cost, net	118.85	100.80
Total included in employee benefit expenses	387.72	264.66

Remeasurements recognized in other comprehensive income are as follows:

(Amounts in ₹ million)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Due to change in demographic assumptions	–	28.36
Due to change in financial assumptions	52.53	(100.95)
Due to change in experience adjustments	(135.87)	51.48
(Return) on plan assets (excl. interest income)	0.09	0.45
Total remeasurements in other comprehensive income	(83.55)	(20.66)

The amounts recognized in the balance sheet are as follows:

(Amounts in ₹ million)

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of unfunded obligations	1,982.61	1,746.13
Fair value of plan assets	(4.88)	(7.48)
Net liability	1,977.73	1,738.65
Current	149.25	137.26
Non-current	1,828.48	1,601.39
Total	1,977.73	1,738.65

Changes in present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

(Amounts in ₹ million)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Defined benefit obligation at beginning of the year	1,746.13	1,647.91
Current service cost	269.01	211.17
Past service cost	–	(47.03)
Interest cost	119.41	101.79
Effect of exchange rate changes	4.41	24.64
Benefits paid	(72.71)	(171.24)
Re-measurements		
- Due to change in demographic assumptions	–	28.36
- Due to changes in financial assumptions	52.23	(100.95)
- Due to change in experience adjustments	(135.87)	51.48
Defined benefit obligation at end of the year	1,982.61	1,746.13

Changes in the fair value of plan assets representing reconciliation of opening and closing balances thereof are as follows:

(Amounts in ₹ million)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Fair value of plan assets at beginning of the year	7.48	14.20
Interest income	0.56	0.99
(Return) on plan assets (excl. interest income)	(0.09)	(0.45)
Contribution by employer	60.00	100.01
Benefits paid	(63.07)	(107.27)
Fair value of plan assets at end of the year	4.88	7.48

Plan assets are administered by LIC and HDFC Life.

The assumptions used in accounting for the gratuity plan are set out as below:

Particulars	March 31, 2024	March 31, 2023
Discount rate	4.90% - 7.20%	5.25% - 7.50%
Expected return on plan assets	7.20%	7.50%
Salary escalation rate	2.00% - 8.00%	2.00% - 8.00%
Weighted average duration (years)	7 - 10	9 - 10

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotions, and other relevant factors such as supply and demand in the employment market.

The Company evaluates these assumptions annually based on its long-term plans of growth and industry standards. The discount rates are based on current market yields on government bonds consistent with the currency and estimated term of the post-employment benefits obligations. Plan assets are administered by LIC and HDFC Life. The expected rate of return on plan assets is based on the expected average long-term rate of return on investments of the fund during the terms of the obligation.

The maturity profile of defined benefit obligation is as follows:

Particulars	(Amounts in ₹ million)
Within 1 year	154.15
1 - 2 years	162.84
2 - 3 years	177.76
3 - 4 years	200.06
4 - 5 years	251.14
Next 5 years	1,604.86

A quantitative sensitivity analysis for significant assumptions on defined benefit obligation as at March 31, 2024 and March 31, 2023 is as shown below:

Particulars	Sensitivity level	(Amounts in ₹ million)	
		Year ended March 31, 2024	Year ended March 31, 2023
Financial assumptions			
Discount rate	- 0.5%	2,072.74	1,825.09
	+ 0.5%	1,898.79	1,672.66
Salary escalation rate	- 0.5%	1,920.04	1,692.36
	+ 0.5%	2,046.58	1,800.68
Demographic assumptions			
Withdrawal rate	- 1%	1,982.37	1,739.96
	+ 1%	1,982.34	1,751.15

Note 31: Financial risk management objectives and policies

The Company's activities expose it to market risks, Liquidity risk and credit risks. The management oversees these risks and is aided by the Risk Management Committee whose scope is to formulate the risk management policy, which will identify elements of risk, if any which may affect the Company.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk mainly comprises of foreign currency risk.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of monetary items will fluctuate because of changes in foreign exchange rates. This may have potential impact on the statement of profit and loss and other components of equity, where monetary items are denominated in a foreign currency, which are different from functional currency in which they are measured. As at the balance sheet date, the Company's net foreign currency exposure expressed in INR that is not hedged is ₹ 2,296.60 million (March 31, 2023 ₹ 115.42 million).

Following are the carrying amounts of foreign currency denominated monetary items (net) of the Company where it has significant exposure as at the balance sheet date:

Currency	March 31, 2024	March 31, 2023
USD	(807.28)	(527.08)
SGD	244.76	125.72
GBP	742.94	13.89
JPY	(31.68)	(120.85)
EUR	1,046.98	(343.37)
AUD	(156.41)	(16.29)

The Company manages its foreign currency risk by hedging the receivables in the major currencies (USD, EUR, AUD, GBP and JPY) using hedging instrument as forward contracts. The period of the forward contracts is determined by the expected collection period for invoices which currently ranges between 30 to 120 days.

Foreign currency sensitivity

Below table demonstrates sensitivity impact on Company's profit after tax and total equity due to change in foreign exchange rates of currencies where it has significant exposure:

Currency	(Amounts in ₹ million)			
	March 31, 2024		March 31, 2023	
	+1%	-1%	+1%	-1%
USD	58.38	(58.38)	48.64	(48.64)
EUR	17.64	(17.64)	7.75	(7.75)
GBP	8.20	(8.20)	2.35	(2.35)
JPY	1.81	(1.81)	1.78	(1.78)
SGD	1.80	(1.80)	1.36	(1.36)
AUD	3.36	(3.36)	3.44	(3.44)

The above sensitivity impact gain (loss) is due to every percentage point appreciation or depreciation in the exchange rate of respective currencies, with all other variables held constant. Sensitivity impact is computed based on change in value of monetary assets and liabilities denominated in above respective currency, where the functional currency of the entity is a currency other than above respective currency and entities with functional currency as above respective currency where transactions are in foreign currencies. The Company's exposure to foreign currency changes for all other currencies is not material.

(b) Liquidity risk

Liquidity risk management implies maintaining sufficient availability of funds to meet obligations when due and to close out market positions. The Company monitors rolling forecast of the cash and cash equivalent on the basis of expected cash flows.

The table below summarizes the maturity profile of the Company's financial liabilities.

Particulars	(Amounts in ₹ million)		
	Less than 1 year	More than 1 year	Total
As at March 31, 2024			
Lease liabilities	178.55	62.01	240.56
Trade payables	204.62	–	204.62
Foreign exchange forward contract, net	8.59	–	8.59
Amount due to subsidiaries	250.62	–	250.62
Accrued expenses	532.52	–	532.52
Accrued compensation to employees	630.07	–	630.07
Capital creditors	58.54	–	58.54
Unpaid dividends	37.96	–	37.96
	1,901.47	62.01	1,963.48

Particulars	(Amounts in ₹ million)		
	Less than 1 year	More than 1 year	Total
As at March 31, 2023			
Lease liability	181.86	239.51	421.37
Trade payables	235.15	–	235.15
Foreign exchange forward contract, net	1.63	–	1.63
Amount due to subsidiaries	165.72	–	165.72
Accrued expenses	420.04	–	420.04
Accrued compensation to employees	562.13	–	562.13
Capital creditors	47.32	–	47.32
Unpaid dividends	38.05	–	38.05
	1,651.90	239.51	1,891.41

The Company has sufficient funds in cash and cash equivalents and other bank balances to meet obligations towards financial liabilities.

(c) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables, including receivables from related parties) and from its finance activities, including time deposits with banks, foreign exchange transactions and other financial instruments.

(i) Trade receivables

Customer credit risk is managed in line with the established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on regional historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 7. As of March 31, 2024, the single customer group contributes 81% of trade receivables.

(ii) Cash and Bank balances

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with existing Bankers and within credit limits assigned to each banker.

Company follows a conservative philosophy and aims to invest surplus funds in time deposits mainly in India with well-known and highly rated banks. The duration of such time deposits will not exceed 364 days. The Company, on quarterly basis, monitors the credit ratings and total deposit balances of each of its bankers. Further limits are set to minimize the concentration of risks and therefore mitigate financial loss of any potential failure to repay deposits.

Note 32: Capital management

For the purpose of the Company's capital management, capital includes issued equity share capital, share premium and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company's capital management is to maximize the equity shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and other financial requirements.

Note 33: Derivative instruments

The Company enters into forward foreign exchange contracts where the counter party is a bank. The Company purchases forward foreign exchange contracts to mitigate the risks of change in foreign exchange rate on receivables denominated in certain foreign currencies. The Company considers the risk of non-performance by the counter party as non-material.

As at March 31, 2024 the Company has following outstanding derivative instrument:

Particulars	(Amounts in million)	
	March 31, 2024	March 31, 2023
Forward contracts – Sell in USD	USD 88.60	USD 70.80
Forward contracts – Sell in AUD	AUD 11.22	AUD 7.60
Forward contracts – Sell in EUR	EUR 14.60	EUR 13.10
Forward contracts – Sell in JPY	JPY 505.00	JPY 409.00
Forward contracts – Sell in GBP	GBP 3.40	GBP 2.40

Note 34: Code on Social Security

The Code on Social Security, 2020 ("Code") relating to employee benefits during the employment and post-employment benefits has been published in the Gazette of India on September 29, 2020. The Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. The effective date from which these changes are applicable is yet to be notified. The Company will assess and record the impact, if any, when the rules are notified, and the code becomes effective.

Note 35: Names of related parties and description of relationship:

Relationship	Names of related parties
(i) Related parties where control exists	
Ultimate Holding Company	Oracle Corporation
Holding Company	Oracle Global (Mauritius) Limited
Direct Subsidiaries	Oracle Financial Services Software B.V. Oracle Financial Services Software Pte. Ltd. Oracle Financial Services Software Chile Limitada Oracle Financial Services Software (Shanghai) Limited Oracle Financial Services Software America, Inc. ISP Internet Mauritius Company Oracle (OFSS) Processing Services Limited Oracle (OFSS) ASP Private Limited Mantas India Private Limited Oracle (OFSS) BPO Services Limited
Subsidiaries of Subsidiaries	Subsidiary of Oracle Financial Services Software B.V. - Oracle Financial Services Software S.A. Subsidiary of Oracle Financial Services Software Pte. Ltd. - Oracle Financial Services Consulting Pte. Ltd. Subsidiaries of Oracle Financial Services Software America, Inc. - Oracle Financial Services Software, Inc. - Mantas Inc. Subsidiary of Mantas Inc. - Sotas Inc. Subsidiary of ISP Internet Mauritius Company - Oracle (OFSS) BPO Services Inc.
(ii) Related parties with whom transactions have taken place during the year	
Fellow Subsidiaries	Oracle Egypt Ltd. Oracle Canada ULC Oracle Taiwan LLC Oracle EMEA Limited Oracle America, Inc. Oracle Nederland B.V. Oracle Vietnam Pte., Ltd. Oracle Italia S.R.L. Oracle Polska, Sp.z.o.o. Oracle India Private Limited Oracle East Central Europe Limited Oracle Systems Hong Kong Limited Oracle (Philippines) Corporation Oracle do Brasil Sistemas Limitada Oracle Corporation Malaysia Sdn. Bhd. Oracle Systems Limited Oracle East Central Europe Services B.V. Oracle Corporation Australia Pty Limited Oracle Solution Services (India) Private Ltd. Oracle Corporation (South Africa) (Proprietary) Limited Oracle Information Technology Service (Shenzhen) Co., Ltd. Oracle Technology Systems (Kenya) Limited Oracle de Mexico, S.A. de C.V.

Relationship	Names of related parties Oracle New Zealand PT Oracle Indonesia Oracle Colombia Limitada Oracle Korea Ltd. Sistemas Oracle del Peru S.R.L. Oracle Caribbean, Inc. Oracle de Centroamerica, S.A. Oracle Srbija & Crna Gora d.o.o. Sistemas Oracle de Chile Limitada Oracle Argentina S.R.L. Oracle Corporation (Thailand) Company Limited Oracle Corporation Japan Oracle Corporation Singapore Pte Ltd Oracle Systems Pakistan (Private) Limited Oracle Belgium B.V.B.A/SPRL. Oracle (QFC) Systems LLC Oracle Austria GmbH Oracle Corporation UK Limited Oracle Czech s.r.o. Oracle Technology Systems (Ghana) Limited Company
(iii) Controlled Trust	i-flex Employee Stock Option Trust
(iv) Key Managerial Personnel (KMP)	Chaitanya Kamat - Managing Director and Chief Executive Officer (till October 4, 2023) Makarand Padalkar - Whole-time Director & Chief Financial Officer (till October 4, 2023) Makarand Padalkar - Managing Director and Chief Executive Officer (from October 5, 2023) Avadhut Ketkar - Chief Financial Officer (from October 5, 2023) Onkarnath Banerjee - Company Secretary & Compliance Officer
(v) Independent Directors	S Venkatachalam (till March 31, 2024) Richard Jackson (till March 31, 2024) Mrugank Paranjape (from December 4, 2023) Sridhar Srinivasan Jane Murphy

Transactions and balances outstanding with these parties are described below:

Particulars	(Amounts in ₹ million)			
	Transaction		Amount receivable (payable)	
	Year ended March 31, 2024	Year ended March 31, 2023	As at March 31, 2024	As at March 31, 2023
Revenue				
Fellow Subsidiaries				
Oracle America, Inc.	5,026.57	4,180.68	770.73	814.32
Oracle Corporation (South Africa) (Proprietary) Limited	543.44	599.83	75.65	97.01
Oracle India Private Limited	777.44	485.62	141.07	154.43
Oracle Egypt Ltd.	555.62	715.06	761.99	425.68
Oracle do Brasil Sistemas Limitada	156.34	110.22	31.91	23.13
Oracle Canada ULC	1,633.83	1,139.77	231.05	57.57
Oracle Caribbean, Inc.	265.32	250.72	32.24	28.45
Oracle Colombia Limitada	120.41	172.19	10.11	26.93
Oracle de Centroamerica, S.A.	123.30	90.33	13.95	12.15
Oracle de Mexico, S.A. de C.V.	21.24	16.75	4.14	2.45
Sistemas Oracle de Chile Limitada	274.36	283.54	59.75	63.79
Sistemas Oracle del Peru S.R.L.	36.04	40.70	5.98	3.11
Oracle Argentina S.R.L.	0.38	0.73	0.57	–
PT Oracle Indonesia	351.25	151.07	54.06	24.16
Oracle Taiwan LLC	656.38	394.47	411.13	137.36

(Amounts in ₹ million)

Particulars	Transaction		Amount receivable (payable)	
	Year ended March 31, 2024	Year ended March 31, 2023	As at March 31, 2024	As at March 31, 2023
Oracle Vietnam Pte., Ltd.	335.63	288.24	185.06	124.08
Oracle Korea Ltd.	8.99	15.47	1.33	2.01
Oracle New Zealand	257.65	171.74	19.71	25.35
Oracle Systems Hong Kong Limited	338.51	375.44	23.90	39.09
Oracle Corporation Japan	1,335.21	2,020.95	114.69	189.95
Oracle Corporation Malaysia Sdn. Bhd.	275.76	338.92	20.69	52.87
Oracle (Philippines) Corporation	122.97	55.41	14.93	5.52
Oracle Corporation (Thailand) Company Limited	595.58	273.76	132.34	48.24
Oracle (QFC) Systems LLC	2.74	–	0.46	–
Oracle Austria GmbH	3.54	–	2.88	–
Oracle Belgium B.V.B.A./SPRL.	12.29	–	4.92	–
Oracle Corporation Australia Pty Limited	19.91	–	16.83	–
Oracle Corporation UK Limited	20.88	–	7.94	–
Subsidiaries				
Oracle Financial Services Software B.V.	15,232.66	13,182.61	2,319.87	1,233.84
Oracle Financial Services Software, Inc.	6,883.97	6,477.31	391.82	323.10
Oracle Financial Services Software Pte. Ltd.	4,401.13	4,385.20	1,233.30	1,037.07
Oracle Financial Services Software (Shanghai) Limited	43.55	38.29	35.47	17.37
Oracle Financial Services Software Chile Limitada	184.40	254.95	105.58	66.11
Oracle (OFSS) Processing Services Limited	256.24	28.97	142.83	–
Unbilled revenue				
Fellow Subsidiaries				
Oracle America, Inc.	–	–	350.51	308.46
Oracle Corporation (South Africa) (Proprietary) Limited	–	–	127.06	59.96
Oracle do Brasil Sistemas Limitada	–	–	23.59	26.75
Oracle India Private Limited	–	–	127.27	95.26
Oracle Egypt Ltd.	–	–	282.74	177.57
Oracle Canada ULC	–	–	270.61	120.36
Oracle Caribbean, Inc.	–	–	42.30	89.33
Oracle Colombia Limitada	–	–	9.47	13.70
Oracle de Centroamerica, S.A.	–	–	29.74	14.94
Oracle de Mexico, S.A. de C.V.	–	–	1.54	1.64
Sistemas Oracle de Chile Limitada	–	–	52.09	32.22
Sistemas Oracle del Peru S.R.L.	–	–	0.24	18.14
Oracle (Philippines) Corporation	–	–	17.34	14.80
Oracle Argentina S.R.L.	–	–	0.13	0.73
Oracle Corporation (Thailand) Company Limited	–	–	54.27	16.09
Oracle Corporation Japan	–	–	122.75	121.90
Oracle Corporation Malaysia Sdn. Bhd.	–	–	36.99	27.39
Oracle New Zealand	–	–	50.17	9.67
Oracle Systems Hong Kong Limited	–	–	55.27	18.33
Oracle Taiwan LLC	–	–	56.63	42.76
Oracle Vietnam Pte., Ltd.	–	–	31.56	40.57
PT Oracle Indonesia	–	–	29.95	9.83
Oracle (QFC) Systems LLC	–	–	0.11	–
Oracle Austria GmbH	–	–	0.65	–
Oracle Belgium B.V.B.A./SPRL.	–	–	1.88	–
Oracle Corporation Australia Pty Limited	–	–	2.87	–
Oracle Corporation UK Limited	–	–	2.22	–
Oracle Korea Ltd.	–	–	0.37	–

(Amounts in ₹ million)

Particulars	Transaction		Amount receivable (payable)	
	Year ended March 31, 2024	Year ended March 31, 2023	As at March 31, 2024	As at March 31, 2023
Subsidiaries				
Oracle Financial Services Software B.V.	-	-	1,702.48	769.72
Oracle Financial Services Software, Inc.	-	-	330.84	338.95
Oracle Financial Services Software Pte. Ltd.	-	-	-	131.81
Oracle Financial Services Software (Shanghai) Limited	-	-	-	5.18
Oracle Financial Services Software Chile Limitada	-	-	-	(58.48)
Oracle (OFSS) Processing Services Limited	-	-	-	6.15
Oracle Financial Services Software S.A.	-	-	-	6.05
Deferred revenue				
Fellow Subsidiaries				
Oracle America, Inc.	-	-	(101.65)	(72.48)
Oracle Caribbean, Inc.	-	-	-	(1.93)
Oracle Colombia Limitada	-	-	(12.58)	(17.58)
Oracle Corporation Malaysia Sdn. Bhd.	-	-	-	(13.02)
Oracle Korea Ltd.	-	-	(1.82)	(1.52)
Oracle (Philippines) Corporation	-	-	(0.46)	-
Oracle de Mexico, S.A. de C.V.	-	-	(0.20)	-
Sistemas Oracle del Peru S.R.L.	-	-	(2.77)	-
Subsidiaries				
Oracle Financial Services Software Pte. Ltd.	-	-	(18.80)	-
Oracle Financial Services Software (Shanghai) Limited	-	-	(0.26)	-
Oracle Financial Services Software Chile Limitada	-	-	(95.46)	-
Bad debts				
Fellow Subsidiary				
Oracle Egypt Limited	34.29	-	-	-
Subsidiaries				
Oracle Financial Services Software, Inc.	0.79	0.11	-	-
Oracle Financial Services Software Pte. Ltd.	20.48	-	-	-
Oracle Financial Services Software B.V.	8.72	50.31	-	-
Impairment allowance				
Fellow Subsidiaries				
Oracle America, Inc.	7.64	1.57	(9.36)	(1.72)
Oracle Egypt Ltd.	329.75	135.73	(466.51)	(136.76)
Oracle Corporation (South Africa) (Proprietary) Limited	1.22	(0.58)	(1.98)	(0.76)
Oracle Colombia Limitada	(0.45)	1.19	(0.75)	(1.20)
Oracle Canada ULC	(1.22)	1.18	-	(1.22)
Oracle India Private Limited	1.14	(1.57)	(1.78)	(0.64)
Oracle Caribbean, Inc.	2.65	0.04	(2.70)	(0.05)
Oracle de Mexico, S.A. de C.V.	0.03	0.01	(0.04)	(0.01)
Sistemas Oracle del Peru S.R.L.	1.25	0.00	(1.25)	(0.00)
Sistemas Oracle de Chile Limitada	13.34	0.08	(13.43)	(0.09)
Oracle de Centroamerica, S.A.	0.04	0.03	(0.07)	(0.03)
Oracle do Brasil Sistemas Limitada	0.31	(0.15)	(0.34)	(0.03)
Oracle (Philippines) Corporation	0.10	0.03	(0.13)	(0.03)
Oracle Corporation (Thailand) Company Limited	0.59	0.32	(0.91)	(0.32)
Oracle Corporation Japan	(0.73)	1.91	(1.18)	(1.91)

(Amounts in ₹ million)

Particulars	Transaction		Amount receivable (payable)	
	Year ended March 31, 2024	Year ended March 31, 2023	As at March 31, 2024	As at March 31, 2023
Oracle Corporation Malaysia Sdn. Bhd.	(0.14)	0.30	(0.16)	(0.30)
Oracle Korea Ltd.	0.01	0.01	(0.02)	(0.01)
Oracle New Zealand	0.39	0.10	(0.49)	(0.10)
Oracle Systems Hong Kong Limited	0.21	0.41	(0.62)	(0.41)
Oracle Taiwan LLC	4.44	1.53	(5.97)	(1.53)
Oracle Vietnam Pte., Ltd.	0.16	0.57	(0.73)	(0.57)
PT Oracle Indonesia	0.43	0.17	(0.60)	(0.17)
Oracle Austria GmbH	0.02	–	(0.02)	–
Oracle Corporation UK Limited	0.08	–	(0.08)	–
Oracle Belgium B.V.B.A./SPRL	0.07	–	(0.07)	–
Oracle (QFC) Systems LLC	0.03	–	(0.03)	–
Oracle Corporation Australia Pty Limited	0.04	–	(0.04)	–
Oracle Argentina S.R.L.	0.10	–	(0.10)	–
Subsidiaries				
Oracle Financial Services Software B.V.	84.79	(51.23)	(149.15)	(64.36)
Oracle Financial Services Software, Inc.	30.58	11.59	(50.15)	(19.57)
Oracle Financial Services Software Pte. Ltd.	(37.08)	73.91	(52.00)	(89.08)
Oracle Financial Services Software (Shanghai) Limited	(0.04)	0.05	(0.01)	(0.05)
Rent expenses (including lease payments)				
Fellow Subsidiaries				
Oracle Nederland B.V.	(0.35)	0.20	–	(0.35)
Oracle Systems Limited	40.00	37.76	–	–
Oracle India Private Limited	1.84	0.68	(0.34)	(0.37)
Oracle Solution Services (India) Private Ltd.	1.59	0.64	(0.18)	(0.29)
Miscellaneous income (including sub-lease receipts)				
Fellow Subsidiaries				
Oracle India Private Limited	21.25	24.48	6.03	2.41
Oracle Solution Services (India) Private Ltd.	6.48	6.40	–	–
Oracle Systems Limited	–	(0.05)	–	–
Oracle America, Inc.	2.84	–	2.84	–
Sistemas Oracle de Chile Limitada	2.00	–	2.00	–
Oracle Colombia Limitada	1.12	–	1.12	–
Oracle Corporation Japan	1.97	–	1.97	–
Oracle Corporation (Thailand) Company Limited	1.14	–	1.14	–
Oracle Caribbean, Inc.	0.69	–	0.69	–
Oracle Corporation (South Africa) (Proprietary) Limited	4.20	–	4.20	–
Oracle Vietnam Pte., Ltd.	2.61	–	2.61	–
PT Oracle Indonesia	1.13	–	1.13	–
Oracle Canada ULC	0.76	–	0.76	–
Oracle (Philippines) Corporation	0.29	–	0.29	–
Oracle Taiwan LLC	10.45	–	10.45	–
Oracle Corporation Malaysia Sdn. Bhd.	0.64	–	0.64	–
Oracle Systems Hong Kong Limited	0.80	–	0.80	–
Oracle New Zealand	1.22	–	1.22	–
Subsidiary				
Oracle (OFSS) Processing Services Limited	0.21	0.21	–	–
Payment of equity dividend				
Holding Company				
Oracle Global (Mauritius) Limited.	14,186.52	11,979.73	–	–
Key managerial personnel	49.67	34.03	–	–
Independent Directors	1.35	1.14	–	–

(Amounts in ₹ million)

Particulars	Transaction		Amount receivable (payable)	
	Year ended March 31, 2024	Year ended March 31, 2023	As at March 31, 2024	As at March 31, 2023
Professional fee expenses				
Fellow Subsidiaries				
Oracle India Private Limited	506.08	448.22	(124.92)	(158.40)
Oracle Information Technology Service (Shenzhen) Co., Ltd.	21.41	38.05	(19.79)	(6.00)
Oracle EMEA Limited	5.01	13.30	(6.73)	(6.03)
Oracle Systems Limited	2.70	3.12	(1.06)	(1.33)
Oracle de Mexico, S.A. de C.V.	–	–	(0.09)	(0.08)
Oracle Vietnam Pte., Ltd.	–	0.09	–	(0.24)
Oracle Corporation (Thailand) Company Limited	5.05	5.31	(4.35)	(0.44)
Oracle (Philippines) Corporation	1.51	5.72	(1.20)	(0.15)
Oracle Systems Pakistan (Private) Limited	4.37	2.87	(5.88)	(1.93)
Oracle Egypt Ltd.	4.06	0.57	–	(0.57)
Oracle America, Inc.	–	0.30	–	–
Oracle Solution Services (India) Private Ltd.	26.77	11.19	(4.71)	(3.40)
Oracle Corporation Australia Pty Limited	0.56	–	(0.44)	–
Subsidiaries				
Oracle Financial Services Software B.V.	36.24	24.09	(28.72)	(9.50)
Oracle Financial Services Software, Inc.	237.79	165.51	(224.58)	(125.33)
Oracle Financial Services Software Pte. Ltd.	47.90	32.59	(37.85)	(18.33)
Oracle (OFSS) Processing Services Limited	30.15	51.66	(4.86)	(5.93)
Oracle (OFSS) BPO Services Limited	217.01	168.79	(65.93)	(25.29)
Oracle Financial Services Software (Shanghai) Limited	1.16	–	(0.96)	(0.06)
Oracle Financial Services Software Chile Limitada	1.75	0.52	(1.85)	(0.56)
Reimbursement (recovery) of expenses				
Fellow Subsidiaries				
Professional fees				
Oracle America, Inc.	(3.20)	73.35	(27.16)	(71.96)
Oracle Corporation (South Africa) (Proprietary) Limited	(1.25)	1.84	(0.94)	(4.32)
Oracle Corporation (Thailand) Company Limited	0.01	0.05	(0.60)	(0.60)
Oracle East Central Europe Services B.V.	0.01	0.04	(0.52)	(0.52)
Oracle Italia S.R.L.	–	–	–	–
Oracle Technology Systems (Ghana) Limited Company	0.12	–	(0.12)	–
Oracle Corporation UK Limited	1.18	–	(1.18)	–
Other Expenses				
Oracle (Philippines) Corporation	(0.03)	0.05	(1.52)	(1.55)
Oracle Canada ULC	0.04	0.01	–	(2.73)
Oracle Corporation (South Africa) (Proprietary) Limited	1.94	7.02	(1.08)	(2.30)
Oracle Corporation (Thailand) Company Limited	(0.00)	2.05	(0.01)	(0.47)
Oracle Corporation Malaysia Sdn. Bhd.	5.85	3.87	0.02	(0.12)
Oracle do Brasil Sistemas Limitada	0.03	0.01	(2.80)	(0.91)
Oracle East Central Europe Limited	0.01	0.05	(0.90)	(0.89)
Oracle East Central Europe Services B.V.	(0.02)	(4.17)	(0.39)	(0.41)
Oracle Egypt Ltd.	2.07	0.39	(2.33)	(0.39)
Oracle Italia S.R.L.	–	(2.51)	–	–
Oracle Korea Ltd.	(0.01)	0.01	(0.31)	(0.32)
Oracle New Zealand	(0.03)	(0.02)	(0.90)	(0.93)
Oracle Polska, Sp.z.o.o.	0.00	(0.15)	(0.00)	(0.00)

(Amounts in ₹ million)

Particulars	Transaction		Amount receivable (payable)	
	Year ended March 31, 2024	Year ended March 31, 2023	As at March 31, 2024	As at March 31, 2023
Oracle Srbija & Crna Gora d.o.o.	2.58	2.02	(0.17)	(0.86)
Oracle Systems Hong Kong Limited	–	0.00	–	–
Oracle Taiwan LLC	–	1.64	–	–
Oracle Technology Systems (Kenya) Limited	–	3.47	–	–
Oracle Vietnam Pte., Ltd.	0.46	0.06	–	–
PT Oracle Indonesia	0.28	1.08	(0.61)	(0.40)
Sistemas Oracle de Chile Limitada	(0.13)	0.05	(0.59)	(0.72)
Oracle India Private Limited	0.18	(2.45)	–	(0.32)
Oracle Solution Services (India) Private Ltd.	–	(0.93)	–	–
Oracle Czech s.r.o.	0.11	–	0.08	–
Oracle Information Technology Service (Shenzhen) Co., Ltd.	32.00	–	(25.21)	–
Subsidiaries				
Oracle Financial Services Software B.V.	(229.53)	(243.50)	(10.30)	18.58
Oracle Financial Services Software, Inc.	(276.21)	(194.55)	22.28	24.84
Oracle Financial Services Software Pte. Ltd.	(139.13)	(203.18)	23.54	(56.82)
Oracle Financial Services Software Chile Limitada	(13.69)	(34.77)	1.04	18.09
Oracle Financial Services Software (Shanghai) Limited	–	0.02	–	(0.02)
Oracle (OFSS) Processing Services Limited	(0.05)	(0.56)	(0.40)	(0.58)
Oracle (OFSS) BPO Services Limited	(0.24)	(0.22)	(0.08)	(0.03)
Oracle Financial Services Software S.A.	(1,229.44)	–	1,208.02	–
Controlled Trust				
i-flex Employee Stock Option Trust	–	(0.18)	–	–
Directors	3.06	1.02	–	(0.47)
Key managerial personnel [Refer note (i)]				
Short-term employment benefits	64.19	74.15	–	–
Post-employment retiral benefits	(2.47)	(1.74)	–	–
Share based payments	55.77	153.86	–	–
Commission				
Independent Directors	16.35	15.70	–	(0.74)
Other expenses				
Fellow Subsidiaries				
Oracle India Private Limited	1.14	14.29	(0.02)	(1.08)
Oracle Corporation Singapore Pte Ltd	–	–	(0.05)	(0.05)
Oracle Systems Limited	–	0.03	–	–
Subsidiary				
Oracle Financial Services Software (Shanghai) Limited	0.01	0.01	–	–
Procurement / (sale) of fixed assets, net				
Fellow Subsidiary				
Oracle India Private Limited	–	69.94	–	–
Oracle Systems Limited	1.05	1.00	(0.24)	–
Oracle EMEA Limited	0.91	–	–	–
Oracle Corporation (South Africa) (Proprietary) Limited	0.10	–	–	–

(Amounts in ₹ million)

Particulars	Transaction		Amount receivable (payable)	
	Year ended March 31, 2024	Year ended March 31, 2023	As at March 31, 2024	As at March 31, 2023
Investments				
Subsidiaries				
Oracle Financial Services Software B.V.	-	0.01	808.49	808.49
Oracle Financial Services Software Pte. Ltd.	0.17	0.05	130.39	130.22
Oracle Financial Services Software America, Inc.	0.94	0.14	6,418.12	6,417.18
Oracle Financial Services Software (Shanghai) Limited	-	-	46.05	46.05
Oracle Financial Services Software Chile Limitada	-	-	80.88	80.88
ISP Internet Mauritius Company	-	-	340.34	340.34
Mantas India Private Limited	-	-	20.28	20.28
Oracle (OFSS) ASP Private Limited	-	-	46.10	46.10
Oracle (OFSS) Processing Services Limited	-	-	13.00	13.00
Oracle (OFSS) BPO Services Limited	5.48	5.66	181.35	175.87
Dividend received				
Subsidiaries				
Oracle Financial Services Software B.V.	-	532.14	-	-
Oracle (OFSS) Processing Services Limited	-	400.00	-	-
Stock compensation charge				
Ultimate Holding Company				
Oracle Corporation	38.04	32.42	-	-
Oracle Employee Stock Purchase Plan				
Ultimate Holding Company				
Oracle Corporation	0.95	1.23	(8.80)	(11.58)
Impairment on investment				
Subsidiaries				
ISP Internet Mauritius Company	-	-	(167.36)	(167.36)
Oracle (OFSS) ASP Private Limited	-	-	(5.40)	(5.40)

Note (i): Remuneration includes salary, bonus and perquisites. During the year, 29,478 OSUs under OFSS Stock Plan 2014 (March 31, 2023 - 59,988 OSUs under OFSS Stock Plan 2014) were granted to KMP.

Note (ii): Terms and conditions of transactions with related parties.

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at year end are unsecured and interest free and settlement occurs in cash.

Note 36: Corporate Social Responsibility ('CSR') expenditure

As per the requirements of Section 135 of the Companies Act, 2013 the Company is required to spend at least 2% of its average net profit for the immediately preceding three financial years on CSR activities.

(Amounts in ₹ million)

	Year ended March 31, 2024	Year ended March 31, 2023
Amount required to be spent by the Company during the year	481.06	455.89
Excess amount paid in the previous financial year adjusted in current financial year	25.80	9.82
Net amount required to be spent during the year	455.26	446.07
Amount spent by the Company during the year	486.21	471.87
Excess amount carried forward for set off against CSR spends in the next financial year	30.95	25.80
Nature of CSR activities	Promoting education and strengthening water, sanitation and hygiene (WASH) infrastructure.	

Note 37: Dividend from subsidiary companies

During the year ended March 31, 2023, the Company has received dividend of ₹ 532.14 million and ₹ 400.00 million from its wholly owned subsidiary companies Oracle Financial Services Software B.V. and Oracle (OFSS) Processing Services Limited respectively.

Note 38: Net equity dividend remitted in foreign exchange

	Year ended March 31, 2024	Year ended March 31, 2023
Year of remittance (ending on)	March 31, 2024	March 31, 2023
Period to which it relates	March 31, 2023	March 31, 2022
Number of non-resident shareholders	1	2
Number of equity shares on which dividend was due	63,051,197	63,051,822
Amount remitted (in USD million)	163.62	146.69
Amount remitted (in AUD million)#	–	0.00
Amount remitted (in ₹ million) (net of TDS ₹ 709.33 million; March 31, 2023 - ₹ 599.01 million)	13,477.19	11,380.84

#Represents amount less than AUD 0.01 million.

Note 39: Tax litigations

As at March 31, 2024, the Company has certain litigations with respect to tax matters for various assessment years amounting to ₹ 28,496.64 million (March 31, 2023 - ₹ 24,434.24 million), which are pending before various appellate / tax authorities. The management expects that its position will be upheld on ultimate resolution and the possibility of any outflow of resources is remote. Demand of tax payable after adjusting taxes paid under protest and refunds amounts to ₹ 21,119.17 million as at March 31, 2024 (March 31, 2023 - ₹ 16,678.50 million). Further for certain litigations the Company has aggregate provisions of ₹ 278.54 million as at March 31, 2024 (March 31, 2023 - ₹ 874.15 million).

Note 40: Auditor's remuneration (including GST)

	(Amounts in ₹ million)	
	Year ended March 31, 2024	Year ended March 31, 2023
As auditor		
Audit fees	12.41	12.41
Limited review	8.10	8.46
Tax audit	1.42	1.42
Certifications	0.83	0.83
Out-of-pocket expenses	0.46	0.43
	23.22	23.55

Note 41: Disclosure on revenue from operations

(a) Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers by geography, streams and type of contract for each of our business segments.

Year ended March 31, 2024	(Amounts in ₹ million)		
Particulars	Products	Services	Total
Revenues by geography			
India	6,090.78	–	6,090.78
Outside India			
Americas			
United States of America	9,041.73	2,403.70	11,445.43
Rest of America	3,409.89	–	3,409.89
Europe	6,496.32	739.90	7,236.22
Asia Pacific	8,599.37	419.92	9,019.29
Middle East and Africa	10,336.22	307.13	10,643.35
	43,974.31	3,870.65	47,844.96
Revenue by streams and type of contract			
License fees	6,603.80	–	6,603.80
Maintenance fees	15,912.71	–	15,912.71
Consulting fees			
Fixed price	15,648.12	3,103.85	18,751.97
Time and material basis	5,809.68	766.80	6,576.48
	43,974.31	3,870.65	47,844.96

Year ended March 31, 2023

(Amounts in ₹ million)

Particulars	Products	Services	Total
Revenues by geography			
India	4,784.80	0.51	4,785.31
Outside India			
Americas			
United States of America	7,702.38	2,386.70	10,089.08
Rest of America	3,115.91	–	3,115.91
Europe	5,625.99	638.12	6,264.11
Asia Pacific	8,228.28	455.89	8,684.17
Middle East and Africa	9,382.74	234.49	9,617.23
	38,840.10	3,715.71	42,555.81
Revenues by streams and type of contract			
License fees	5,876.50	–	5,876.50
Maintenance fees	14,018.92	–	14,018.92
Consulting fees			
Fixed price	12,881.88	2,174.33	15,056.21
Time and material basis	6,062.80	1,541.38	7,604.18
	38,840.10	3,715.71	42,555.81

- (b) During the year ended March 31, 2024, the Company recognized revenue of ₹ 1,027.40 million from opening deferred revenue as of April 1, 2023.

During the year ended March 31, 2023, the Company recognized revenue of ₹ 995.17 million from opening deferred revenue as of April 1, 2022.

- (c) During the year ended March 31, 2024 and March 31, 2023, the Company has not recognized any revenue from performance obligations satisfied prior to April 1, 2023 and April 1, 2022; respectively.
- (d) Change in contract assets and contract liabilities are on account of transactions undertaken in the normal course of business. In accordance with Ind AS 115, unbilled revenue of ₹ 1,681.53 million as at March 31, 2024 (March 31, 2023 ₹ 1,368.46 million) has been classified as other current asset.

(e) Reconciliation of revenue recognized with contract price for the year

(Amounts in ₹ million)

	March 31, 2024	March 31, 2023
Revenue as per contracted price	47,867.85	42,591.57
Reduction towards discounts	(22.89)	(35.76)
Revenue from operations	47,844.96	42,555.81

(f) Remaining performance obligation

The Company has applied the practical expedient as provided in Ind AS 115 and excluded the disclosure relating to remaining performance obligation for:

- contracts where the original expected duration is one year or less.
- contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date. Typically this involves those contracts where invoicing is on time and material basis.

Remaining performance obligation estimates are subject to change and are affected by several factors such as terminations, changes in the scope of contracts, periodic revalidations of estimates and other macro economic factors.

The aggregate amount of transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as at March 31, 2024, after considering the practical expedient mentioned above is ₹ 29,554.67 million (March 31, 2023 ₹ 15,379.85 million), out of which 62% (March 31, 2023 56%) is expected to be recognized as revenue within the next one year and the balance thereafter.

(g) Asset recognized from the costs to obtain a contract

The Company recognizes incremental costs of obtaining a contract with customers as an asset and discloses them under "other assets" as deferred contract costs in the Standalone financial statements. Incremental costs of obtaining contracts are those costs that the Company incurs to obtain a contract with the customer that would not have been incurred if the contract had not been obtained. Such deferred contract costs assets are amortized over the benefit period.

The Company has amortized deferred contract cost of ₹ 28.24 million for the year ended March 31, 2024 (March 31, 2023 ₹ 24.71 million) and has closing balance of deferred contract cost asset of ₹ 71.94 million as at March 31, 2024 (March 31, 2023 ₹ 55.96 million).

Note 42: Segment information

Business segments are defined as a distinguishable component of an enterprise that is engaged in providing a group of related products or services and that is subject to differing risks and returns and about which separate financial information is available. This information is reviewed and evaluated regularly by the management in deciding how to allocate resources and in assessing the performance.

The Company is organized by business segment and geographically. For management purposes the Company is primarily organized on a worldwide basis into two business segments:

- a) Product licenses and related activities ('Products') and
- b) IT solutions and consulting services ('Services')

The business segments are the basis on which the Company reports its primary operational information to management. Product licenses and related activities segment deals with various banking software products. The related activities include enhancements, implementation and maintenance activities.

IT solutions and consulting services segment offers services spanning the entire lifecycle of applications used by financial service institutions. The division's portfolio includes Consulting, Application, Support and Technology Services that help institutions improve efficiency, optimize costs, meet risk and compliance mandates and implement IT solutions finely attuned to their business needs.

Segment revenue and expense:

Revenue is generated through licensing of software products, maintenance fees as well as by providing software solutions to the customers including consulting services. The income and expenses which are not directly attributable to a business segment are shown as unallocable income and expenses.

Segment assets and liabilities:

Segment assets include all operating assets used by a segment and consist principally of trade receivables (net of allowances), unbilled receivable (net of allowances), unbilled revenue, deposits for premises, property, plant and equipment, right-of-use asset and other assets. Segment liabilities primarily include trade payables, deferred revenues, advance from customers, employee benefit obligations, lease liabilities and other liabilities. While most of such assets and liabilities can be directly attributed to individual segments, the carrying amount of certain assets and liabilities used jointly by both segments is allocated to each of the segment on a reasonable basis. Assets and liabilities that cannot be allocated between the segments are shown as part of unallocable assets and liabilities.

Year ended March 31, 2024		(Amounts in ₹ million)		
Particulars	Products	Services	Total	
Revenue from operations	43,974.31	3,870.65	47,844.96	
Segment result	23,907.50	1,731.47	25,638.97	
Unallocable expenses			(1,673.55)	
Finance income			2,407.86	
Other (expense), net			(11.70)	
Profit before tax			26,361.58	
Tax expenses			(6,082.39)	
Profit for the year			20,279.19	

Year ended March 31, 2023		(Amounts in ₹ million)		
Particulars	Products	Services	Total	
Revenue from operations	38,840.10	3,715.71	42,555.81	
Segment result	20,821.46	1,627.65	22,449.11	
Unallocable expenses			(1,543.50)	
Finance income			1,335.58	
Other income, net			1,190.79	
Profit before tax			23,431.98	
Tax expenses			(5,706.90)	
Profit for the year			17,725.08	

Revenue of ₹ 40,873.53 million (March 31, 2023 ₹ 36,538.95 million) is derived from a single customer group in 'Products' and 'Services' segment.

Other information

Year ended March 31, 2024

(Amounts in ₹ million)

Particulars	Products	Services	Unallocable	Total
Capital expenditure by segment				
Property, plant and equipment	234.61	32.82	6.56	273.99
Depreciation and amortization	426.39	61.50	109.73	597.62
Other non-cash expenses	531.51	(5.76)	1.75	527.50
Segment assets	15,599.83	1,202.49	52,065.05	68,867.37
Segment liabilities	6,124.44	681.19	216.93	7,022.56
Equity	-	-	61,844.81	61,844.81

Year ended March 31, 2023

(Amounts in ₹ million)

Particulars	Products	Services	Unallocable	Total
Capital expenditure by segment				
Property, plant and equipment	337.89	37.44	9.26	384.59
Depreciation and amortization	412.29	71.94	99.62	583.85
Other non-cash expenses	220.38	0.25	1.82	222.45
Segment assets	11,785.14	783.02	53,816.67	66,384.83
Segment liabilities	5,487.59	609.78	233.28	6,330.65
Equity	-	-	60,054.18	60,054.18

Geographical segments

The following table shows the distribution of the Company's sales by geographical market:

Regions	Year ended March 31, 2024		Year ended March 31, 2023	
	Amounts in ₹ million	%	Amounts in ₹ million	%
India	6,090.78	12.7%	4,785.31	11.2%
Outside India				
Americas				
United States of America	11,445.43	24.0%	10,089.08	23.8%
Rest of America	3,409.89	7.1%	3,115.91	7.3%
Europe	7,236.22	15.1%	6,264.11	14.7%
Asia Pacific	9,019.29	18.9%	8,684.17	20.4%
Middle East and Africa	10,643.35	22.2%	9,617.23	22.6%
	47,844.96	100.0%	42,555.81	100.0%

The following table shows the Company's non-current operating assets by geographical market:

Regions	As at March 31, 2024		As at March 31, 2023	
	Amounts in ₹ million	%	Amounts in ₹ million	%
India	11,277.76	98.7%	11,660.07	96.3%
Outside India				
Europe	-	-	291.02	2.4%
Asia Pacific	45.69	0.4%	24.47	0.2%
Middle East and Africa	106.60	0.9%	133.75	1.1%
	11,430.05	100.0%	12,109.31	100.0%

Non-current assets for this purpose consist of property, plant and equipment, capital work-in-progress, right-of-use asset, investment property, income tax assets (net) and other non-current assets.

As per our report of even date

For S. R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration No. 101049W / E300004

per Govind Ahuja

Partner

Membership No. 048966

Mumbai, India

April 24, 2024

For and on behalf of the Board of Directors of
Oracle Financial Services Software Limited

Sridhar Srinivasan

Chairperson

DIN: 07240718

Avadhut Ketkar

Chief Financial Officer

Mumbai, India

April 24, 2024

Makarand Padalkar

Managing Director

& Chief Executive Officer

DIN: 02115514

Onkarnath Banerjee

Company Secretary

& Compliance Officer

ACS: 8547

Mrugank Paranjape

Director

DIN: 02162026

Statement of cash flow for the year ended March 31, 2024

(Amounts in ₹ million)

	Year ended March 31, 2024	Year ended March 31, 2023
Cash flows from operating activities		
Profit before tax	26,361.58	23,431.98
Adjustments to reconcile profit before tax to cash provided by operating activities:		
Depreciation and amortization	597.62	583.85
Loss (profit) on sale of property, plant and equipment	0.17	(0.22)
Employee stock compensation expense	688.50	584.81
Finance income	(2,407.86)	(1,335.58)
Effect of exchange rate changes in cash and cash equivalents	(4.56)	(58.38)
Effect of exchange rate changes in assets and liabilities	(0.84)	378.39
Finance cost	21.11	32.12
Impairment loss recognized on contract assets	455.82	139.94
Impairment loss recognized on other financial assets	7.40	7.54
Bad debts	64.28	74.97
Dividend from subsidiary companies	–	(932.14)
Operating Profit before Working Capital changes	25,783.22	22,907.28
Movements in working capital		
Decrease in other non-current financial assets	–	8.49
(Increase) in other non-current assets	(28.27)	–
(Increase) in trade receivables	(2,412.34)	(1,195.91)
(Increase) in other current financial assets	(2,257.72)	(744.71)
(Increase) decrease in other current assets	(385.52)	170.03
Increase in non-current provisions	314.70	158.27
(Decrease) increase in trade payables	(32.62)	76.73
Increase in other current financial liabilities	288.61	99.35
Increase (decrease) in other current liabilities	264.22	(99.22)
(Decrease) in other non-current liabilities	(20.70)	(78.02)
Increase in current provisions	162.41	81.64
Cash from operating activities	21,675.99	21,383.93
Payment of domestic and foreign taxes, net of refunds	(5,239.65)	(6,326.50)
Net cash provided by operating activities	16,436.34	15,057.43
Cash flows from investing activities		
Purchase of property, plant and equipment	(287.94)	(355.44)
Proceeds from sale of property, plant and equipment	0.04	0.89
(Placement) refund of deposits for premises and others	(0.03)	1.18
Bank fixed deposits having maturity of more than three months matured	33,515.00	32,400.00
Bank fixed deposits having maturity of more than three months booked	(19,600.00)	(32,595.00)
Interest received	1,622.66	1,226.52
Dividend received from subsidiary companies	–	932.14
Net cash provided by investing activities	15,249.73	1,610.29

Statement of cash flow for the year ended March 31, 2024 (continued)

(Amounts in ₹ million)

	Year ended March 31, 2024	Year ended March 31, 2023
Cash flows from financing activities		
Proceeds from issue of shares under employee stock option plan	207.39	79.36
Equity dividend paid	(19,459.76)	(16,415.93)
Interest paid on lease liabilities	(21.11)	(32.12)
Repayment of lease liabilities	(160.69)	(138.34)
Net cash (used in) financing activities	(19,434.17)	(16,507.03)
Net increase in cash and cash equivalents	12,251.90	160.69
Cash and cash equivalents at beginning of the year	1,408.34	1,189.27
Effect of exchange rate changes in cash and cash equivalents	4.56	58.38
Cash and cash equivalents at end of the year	13,664.80	1,408.34
Component of cash and cash equivalents		
Balances with banks:		
In current accounts	1,486.62	1,160.26
In deposit accounts with original maturity of less than three months	12,140.22	210.03
In unclaimed dividend account*	37.96	38.05
Total cash and cash equivalents at the end of the year [Refer note 9(a)]	13,664.80	1,408.34

*These balances will be utilized only towards the respective unclaimed dividend.

As per our report of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No. 101049W / E300004

per Govind Ahuja
Partner
Membership No. 048966

Mumbai, India
April 24, 2024

For and on behalf of the Board of Directors of
Oracle Financial Services Software Limited

Sridhar Srinivasan
Chairperson
DIN: 07240718

Avadhut Ketkar
Chief Financial Officer

Mumbai, India
April 24, 2024

Makarand Padalkar
Managing Director
& Chief Executive Officer
DIN: 02115514

Onkarnath Banerjee
Company Secretary
& Compliance Officer
ACS: 8547

Mrugank Paranjape
Director
DIN: 02162026

Notice of annual general meeting

Notice of annual general meeting

NOTICE is hereby given that the Thirty Fifth Annual General Meeting of Oracle Financial Services Software Limited ("Company") will be held on Thursday, July 25, 2024 at 3:00 p.m. (IST) through Video Conferencing (VC) / Other Audio Visual Means (OAVM) to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements (including the consolidated financial statements) of the Company for the financial year ended March 31, 2024 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Ms. Kimberly Woolley (DIN: 07741017) who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint a Director in place of Mr. Vincent Secondo Grelli (DIN: 08262388) who retires by rotation and being eligible, offers himself for re-appointment.
4. To confirm the payment of interim dividend of ₹ 240 per equity share already paid, as the final dividend for the financial year ended March 31, 2024.

By Order of the Board of Directors
For Oracle Financial Services Software Limited

Onkarnath Banerjee
Company Secretary and Compliance Officer
Membership no. ACS 8547

Mumbai
June 12, 2024

Registered Office:
Oracle Park, Off Western Express Highway
Goregaon (East), Mumbai - 400063
Tel. no. +91 22 6718 3000
Fax no. +91 22 6718 3001
CIN: L72200MH1989PLC053666
Website: <https://investor.ofss.oracle.com>
Email: investors-vp-ofss_in_grp@oracle.com

Notes:

- a. Additional information required as per the Companies Act, 2013 ("Act"), Regulation 26 and 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") in respect of item nos. 2 and 3 forms an integral part of the Notice. The Directors have furnished the requisite declarations and consents.
- b. The Ministry of Corporate Affairs ("MCA") vide its General circular nos. 14/2020, 17/2020 and 20/2020, dated April 8, 2020, April 13, 2020 and May 5, 2020 respectively, and the latest being 09/2023 dated September 25, 2023 (collectively referred to as "MCA Circulars") has permitted holding the Annual General Meeting ("AGM") through VC / OAVM without physical presence of the Members at a common venue. In compliance with the provisions of the Act, Listing Regulations and MCA Circulars, the AGM of the Company is scheduled to be held through VC / OAVM.
- c. The MCA Circulars and Securities and Exchange Board of India ("SEBI") Circulars dated May 12, 2020, January 15, 2021, May 13, 2022, January 5, 2023, and October 7, 2023 have dispensed with requirements of dispatching physical copies of Annual Reports due in the year 2024 to the shareholders of the Company, thereby allowing the companies to send Annual Reports by email. Accordingly, Notice of the AGM along with the Annual Report 2023-24 is being sent through electronic form to those Members whose email addresses are registered with the Company / Depository Participants. Members may note that the Annual Report 2023-24, which includes Notice of the AGM, is also available on the Company's website <https://investor.ofss.oracle.com>, websites of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively, and on the website of National Securities Depository Limited ("NSDL") at <https://www.evoting.nsdl.com>.
- d. Members can submit their questions in advance with regard to the financial statements or any other matter to be placed at the 35th AGM, from their registered email address mentioning their name, DP ID and Client ID / folio number and mobile number, at the Company's email address investors-vp-ofss_in_grp@oracle.com on or before Friday, July 19, 2024, 5:00 p.m. IST. The Company shall make efforts to take up the questions during the AGM and reply suitably.
- e. Members who would like to speak during the AGM may register themselves as a speaker by sending a request from their registered email address mentioning their name, DP ID and Client ID / folio number and mobile number at investors-vp-ofss_in_grp@oracle.com from Thursday, July 18, 2024 (9:00 a.m. IST) to Friday, July 19, 2024 (5:00 p.m. IST). Those Members who have registered themselves will only be permitted to speak during the AGM. The Members are requested to send their questions in advance at the time of registration as speaker. The Company reserves the right to restrict the number of questions and speakers, as appropriate, to ensure smooth conduct of the AGM.
- f. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, July 19, 2024 to Thursday, July 25, 2024, both days inclusive, for the purpose of the AGM.
- g. Statutory Registers maintained under the provisions of the Act will be available electronically for inspection by the Members during the AGM. All documents referred to in the Notice will also be available for electronic inspection by the Members, without any fee, from the date of circulation of this Notice up to the date of 35th AGM, i.e., July 25, 2024. Members seeking to inspect such documents can send an email to investors-vp-ofss_in_grp@oracle.com.
- h. The Company has appointed Mr. Prashant Diwan, Practicing Company Secretary (Membership no. FCS 1403 and CP no. 1979), as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- i. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the 35th AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
- j. Since the AGM will be held through VC / OAVM, the route map to the venue is not applicable and not annexed to this Notice.
- k. Institutional / Corporate Shareholders (i.e., other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF / JPG Format) of their Board or governing body's Resolution / Authorization, etc., authorizing its representative to attend the AGM through VC / OAVM and to vote through remote e-voting / e-voting during the AGM on its behalf. The said Resolution / Authorization should be sent from the Member's registered email address to the Scrutinizer's email address at pddiwan@yahoo.co.in with a copy marked to evoting@nsdl.com.
- l. The Members can join the AGM through VC / OAVM from 30 minutes before the scheduled time of commencement of the AGM by following the procedure mentioned in this Notice. Members may note that the VC / OAVM facility allows participation of at least 1,000 Members on a first-come-first-served basis. Members should join on or before the scheduled time or until expiry of 15 minutes from the scheduled time of commencement of AGM. Shareholders holding 2% or more shareholding, promoters and institutional investors can attend the AGM without any restriction on account of first-come-first-served basis.
- m. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- n. The recorded transcript of the AGM shall be made available on the Company's website at <https://investor.ofss.oracle.com> as soon as possible after the AGM is over.
- o. Members wishing to claim dividends which remain unclaimed are requested to correspond with KFin Technologies Limited, the Registrar and Share Transfer Agents ("RTA") of the Company. Members are requested to note that dividends not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account will, as per Section 124 of the Act, be transferred to the Investor Education and Protection Fund ("IEPF").

- p. The underlying shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. The Members are requested to claim their dividends from the Company within the stipulated timeline. Details of Members whose unclaimed dividends / shares have been transferred to IEPF are available on the Company's website: <https://investor.ofss.oracle.com>. Members may claim the same by making an application to the IEPF Authority in IEPF Form-5 available on www.iepf.gov.in.
- q. In terms of the Regulation 40 of the Listing Regulations, securities of listed companies can only be transferred in dematerialized form. Accordingly, Members holding shares in physical form are advised to dematerialize their shares to get inherent benefits of dematerialization.
- r. Members who hold shares in dematerialized form are requested to make nomination in respect of their shareholding by contacting their Depository Participants ("DP"). They should also notify promptly any change in their addresses, bank particulars and other related information to their respective DP.
- s. Members who have not yet registered their email addresses are requested to register the same with their DP (in case the shares are held by them in electronic form) or with the RTA (in case the shares are held by them in physical form).
- t. Members who hold shares in physical form are requested to notify any change in the KYC details (i.e., Postal Address with Pin Code, email address, mobile number, bank account details, etc.) and nomination details by submitting duly filled and signed Form ISR – 1 and other forms as may be applicable. Relevant details and forms prescribed by SEBI in this regard are available on the website of the RTA at <https://ris.kfintech.com/>. Folio(s) not updated with the KYC details shall be eligible to lodge grievance or avail any service request from the RTA only after furnishing KYC details. Further, effective April 1, 2024 such folios shall be eligible for any payment including dividend, interest or redemption only through electronic mode.
- u. For any queries or assistance, Members are requested to address all communications to the RTA of the Company. Members may write to the RTA or call on 1800 309 4001 or email to einward.ris@kfintech.com.
- v. The instructions for remote e-voting and joining the AGM are as under:
 - i. In terms of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by the ICSI (each as amended or modified from time to time), the Company is providing facility to its Members to cast their votes electronically through the electronic voting service facility provided by NSDL on the items of business set forth in the Notice.
 - ii. The remote e-voting period commences on Saturday, July 20, 2024 (9:00 a.m. IST) and ends on Wednesday, July 24, 2024 (5:00 p.m. IST). During this period, Members holding shares in the Company as on the close of business hours of Thursday, July 18, 2024, being the cut-off date fixed for determining voting rights of Members entitled to participate in the remote e-voting process. During this period, the Members holding their shares either in physical form or in dematerialized form may cast their votes electronically.
 - iii. In case of joint holders, the Member whose name appears as the first holder in the Register of Members of the Company will be entitled to vote at the AGM.
 - iv. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only.
- w. The details of the process and manner for remote e-voting and joining the AGM are as under:

Step 1: Access to the NSDL e-voting system

Step 2: Cast your vote electronically and join General Meeting on NSDL e-voting system

Details on Step 1 is mentioned below:

- A. Login method for e-voting and joining virtual meeting for Individual shareholders holding securities in dematerialized form.

In terms of SEBI circular dated December 9, 2020 on e-voting facility provided by listed Companies and as a part of increasing the efficiency, individual shareholders holding securities in dematerialized form are allowed to vote through their demat account maintained with Depositories / website of depositories / Depository Participants. Shareholders are advised to update their mobile number and email address in their demat accounts in order to access e-voting facility.

Individual Shareholders holding securities in dematerialized form with NSDL:

1. If you are already registered for NSDL IDeAS facility –
 - Open web browser by typing the following URL: <https://eservices.nsd.com/> either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section, this will prompt you to enter your existing User ID and Password.
 - After successful authentication, you will be able to see e-voting services under value added services. Click on "Access to e-voting" under e-voting services and you will be able to see e-voting page.

- Click on company name or e-voting service provider – i.e. NSDL and you will be re-directed to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.
2. If you are not registered for IDeAS e-Services –

Option to register is available at <https://eservices.nsd.com>. Click on “Register online for IDeAS” or click at <https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp>.
 3. Visit the e-voting website of NSDL –
 - Open web browser by typing the following URL: <https://www.evoting.nsd.com/> either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholder / Member’ section.
 - A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL IDeAS Portal wherein you can see e-voting page.
 - Click on company name or e-voting service provider i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.
 - Shareholders / Members can also download NSDL Mobile App “NSDL Speede” facility for seamless voting experience.

Individual Shareholders holding securities in dematerialized form with CDSL:

1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & My Easi New Tab and then use your existing My Easi username & password.
2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there are links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.
3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & My Easi New Tab and then click on registration option.
4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.

Individual Shareholders (holding securities in dematerialized form) login through their depository participants:

1. You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL / CDSL for e-voting facility.
2. Upon logging in, you will be able to see e-voting option. Click on e-voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-voting feature.
3. Click on company name or e-voting service provider-NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID / Password are advised to use ‘Forgot User Details/ Password?’ option available at abovementioned website.

Helpdesk for any technical issues related to login have been set up for Individual Shareholders holding securities in dematerialized form. The details are given below:

Login type	Helpdesk details
Individual Shareholders holding securities in dematerialized form with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call 022-4886 7000
Individual Shareholders holding securities in dematerialized form with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cDSLindia.com or contact at 1800 22 55 33

B. Login method for shareholders other than Individual shareholders holding securities in dematerialized form and shareholders holding securities in physical form.

1. Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder / Member' section.
3. A new screen will open. You will have to enter your User ID, your Password / OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDeAS, you can login at <https://eservices.nsdl.com/> with your existing IDeAS login. Once you login to NSDL eservices after using your login credentials, click on e-voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a. For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****
b. For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c. For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if EVEN is 123456 and folio number is 001*** then user ID is 123456001***

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit Client ID for NSDL account, last 8 digits of Client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - ii. If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the "initial password" or have forgotten your password:

- a) Click on "Forgot User Details / Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

- b) "Physical User Reset Password?" (If you are holding shares in physical form) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number / folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
 8. Now, you will have to click on "Login" button.
 9. After you click on the "Login" button, Home page of e-voting will open.

Details on Step 2 is mentioned below:

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of Oracle Financial Services Software Limited, to cast your vote during the remote e-voting period or voting during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-voting as the voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify / modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the "Print" option on the confirmation page.
7. Once you confirm your vote on the resolutions, you will not be allowed to modify your vote.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and to register their e-mail ids for e-voting on the resolutions set out in this notice:

1. In case shares are held in physical form please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), self-attested scanned copy of PAN card, self-attested scanned copy of Aadhaar Card by email to investors-vp-ofss_in_grp@oracle.com.
2. In case shares are held in dematerialized form, please provide DP ID-Client ID (16 digit DP ID + Client ID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, self attested scanned copy of PAN card, self-attested scanned copy of Aadhaar Card to investors-vp-ofss_in_grp@oracle.com. If you are an Individual shareholders holding securities in dematerialized form, you are requested to refer to the login method explained at Step 1 (A), i.e., Login method for e-voting and joining virtual meeting for Individual shareholders holding securities in dematerialized form.
3. Alternatively shareholder / members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-voting facility provided by listed companies, individual shareholders holding securities in dematerialized form are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-voting facility.

The instructions for members for e-voting on the day of the AGM are as under:

1. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members / shareholders, who will be present in the AGM through VC / OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.
3. Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote during the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-voting on the day of the AGM shall be the same person mentioned for remote e-voting.

Instructions for members for attending the AGM through VC / OAVM are as under:

1. Member will be provided with a facility to attend the AGM through VC / OAVM through the NSDL e-voting system. Members may access by following the steps mentioned above for Access to NSDL e-voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder / Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptop for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that participants connecting from Mobile Devices or Tablets or through Laptop, connecting via Mobile Hotspot may experience Audio / Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

General Guidelines for shareholders:

1. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details / Password?" or "Physical User Reset Password?" option available on www.evoting.nsd.com to reset the password.
2. In case of any queries with the use of technology, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsd.com or call on 022 - 4886 7000 or send a request to Ms. Pallavi Mhatre, Senior Manager - NSDL or Mr. Sanjeev Yadav, Assistant Manager - NSDL at evoting@nsdl.com.
3. The Scrutinizer shall, immediately after the conclusion of voting during the AGM, count the votes cast during the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company. The Scrutinizer shall submit a consolidated Scrutinizer's Report of the total votes cast in favor of or against, if any, not later than forty-eight hours after the conclusion of the AGM to the Chairperson of the Company. The Chairperson, or any other person authorized by the Chairperson, shall declare the result of the voting forthwith.
4. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.oracle.com/financialservices and on the website of NSDL at <https://www.evoting.nsd.com>, after the result is declared by the Chairperson, and the same shall be communicated to BSE Limited and National Stock Exchange of India Limited, where the equity shares of the Company are listed.

ADDITIONAL INFORMATION OF THE DIRECTORS SEEKING RE-APPOINTMENT AT THE THIRTY FIFTH ANNUAL GENERAL MEETING PURSUANT TO REGULATION 26 AND 36 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD ON GENERAL MEETINGS (SS-2)

A brief profile of the Directors to be re-appointed is given below:

- Ms. Kimberly Woolley** is the assistant general counsel and assistant secretary for Oracle. She has been practicing corporate law since 1998 and originally joined Oracle in May 2009. She supports Oracle Corporation's board of directors and committees of the board. Ms. Woolley is a member of Oracle's disclosure committee and is responsible for Oracle's compliance with U.S. securities laws, including the review and preparation of periodic reports (10-K, 10-Qs, 8-Ks), annual proxy statement and Section 16 filings. She also supports Oracle's Treasury and Finance teams in capital markets transactions.

Prior to joining Oracle, Ms. Woolley was the Director, Associate General Counsel of Williams-Sonoma, Inc. where she served as the head of corporate and securities law, reporting to the general counsel. She previously worked as an Associate at law firms Gibson, Dunn & Crutcher (London and San Francisco), and Sullivan & Cromwell (New York and London).

Ms. Woolley holds a juris doctorate degree with high honors from George Washington University Law School, and a Bachelor of Arts degree with honors (magna cum laude) in politics and government from Ripon College. Ms. Woolley is a member of the New York and California state bars.

- Mr. Vincent Secondo Grelli** is vice president Tax, Asia Pacific Region, for Oracle. He is responsible for managing Oracle's direct and indirect tax affairs in the Asia Pacific, Greater China, and India regions.

Mr. Grelli joined Oracle in December 2008. Prior to Oracle, he was vice president of global taxes at Hyperion Solutions, reporting to the chief financial officer. He has held senior global tax management positions at Sun Microsystems and Amdahl Corporation. Mr. Grelli began his career with Arthur Andersen.

Mr. Grelli holds a bachelor's degree in accounting and is a certified public accountant licensed in California. He is a longstanding member of the American Institute of Certified Public Accountants.

Details of Directors seeking re-appointment at the Annual General Meeting, are as under:

Name	Ms. Kimberly Woolley	Mr. Vincent Secondo Grelli
Age	52 years	72 years
Date of Appointment	March 29, 2017	November 2, 2018
Qualifications	Juris doctorate degree with high honors from George Washington University Law School. Member of the New York and California state bars.	Bachelor's degree in Accounting and Certified Public Accountant.
Experience	Corporate Law, Securities Law and Corporate Governance.	Global Tax and Accounting.
Terms and conditions of appointment including remuneration	Non-Executive, Non-Independent Director liable to retire by rotation in terms of Section 152(6) of the Companies Act, 2013.	Non-Executive, Non-Independent Director liable to retire by rotation in terms of Section 152(6) of the Companies Act, 2013.
Directorships held in other Companies	<ul style="list-style-type: none"> - GoAhead Software India Private Limited - Responsys Business Solutions India Private Limited - Tekelec Systems India Private Limited - Waban Software Private Limited - Logfire Technology Solutions Private Limited - Palerra Software Private Limited - Oracle Corporation, Japan - Aconex (India) Private Limited - Oracle Solution Services (India) Private Limited - Cerner Healthcare Sales India Private Limited 	<ul style="list-style-type: none"> - OCAPAC Corporation Singapore Pte. Ltd. - Oracle Corporation (Thailand) Company Limited - Oracle Corporation, Japan - Oracle Software Technology GmbH - OCAPAC Research Partner UC - OCAPAC Distributor Partner UC - OCAPAC Hardware Partner UC - OCAPAC Holding Company UC - Oracle Research Company Unlimited Company - Oracle Technology Company Unlimited Company
Listed entities from which Director has resigned in past three years	None	None

Name	Ms. Kimberly Woolley	Mr. Vincent Secondo Grelli
Memberships / Chairmanships of Committees in the Company	Membership - Corporate Social Responsibility Committee - Stakeholders Relationship Committee	Membership - Audit Committee
Memberships / Chairmanships of Committees in other Companies	None	Member of Audit Committee - Oracle Corporation, Japan
No. of Shares held in the Company as on June 12, 2024 (including shareholding as a beneficial owner)	Nil	Nil

For the purpose of disclosing the Directorships in Other Companies, all the Companies around the world (listed, unlisted, private limited companies and foreign companies), including subsidiaries of the Company are considered.

For the purpose of disclosing number of Chairpersonships / Memberships of the Committees of the Board of other companies, only the Audit Committee and the Stakeholders' Relationship Committee of the Companies are considered.

For other details in respect of the above directors, such as the number of meetings of the Board attended during the year, remuneration drawn and relationship with other directors and key managerial personnel, etc., please refer the Corporate Governance Report which is a part of this Annual Report.

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Oracle is committed to developing practices and products that help protect the environment

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